

# DOSSIER ON INDIA TODAY

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# Analysis



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# Infrastructural imperative

THE prospects for economic growth, and concurrent social uplift have never been better before for India. The loosening up of the rigid planning frame begun in 1977, continued by successive governments, although by fits and starts, and accelerated since 1991 has released the creative energies of entrepreneurs, managers, scientists, technologists and skilled workers. Social relations are moving from adversarial, negative stances to one of partnership and more positive stances between government, industry, consumers, investors, labour, NGOs and other stakeholders in society. Expectations of jobs, incomes and quality of life are rising.

The realisation of India's growth potential and meeting people's expectations depend critically on quantum improvements in the infrastructure. We need to keep before ourselves a vision for India over the next 10 to 15 years, work back on the infrastructural needs and intensify our action today.

Speaking recently at Bangalore, I had proposed a three-part Vision of India in the 21st century; to be among the world's leading countries in the three vision dimensions — economic, social and spiritual. These three visions have been mentioned in the popularly perceived sentence. Not only businessmen, but workmen and unemployed citizens, officials and ideologues tend to be most preoccupied with GNP growth rates, investment, wages and other 'hardware' aspects.

However, as the recent Human Development Report (UNDP) and the Progress of State Report (NICEF) bring out, social development is not a product of economic growth, but an important input into it. Further, the recent corruption scandals that have rocked Japan, Korea and the break up of the family and increasing alienation in the U.S. and similar symptoms of alienation and anomie show that high economic prosperity does not lead to true shanti (peace) and anand (joy), without a spiritual dimension guiding individual and leadership behaviour at all levels.

I propose for discussion, enrichment and internalisation by all Indians the following Vision:

- An economic vision, of India emerging as the fourth largest economy of the world, next to the U.S., Japan and China.

- A social vision of harmony between all stakeholders — customers, dealers, vendors, investors, employees, executives, promoters, government and the public; with a reasonably balanced development between regions, States and districts on the Human Development Index, Gender Development Index and Gender Empowerment Measure.

- A spiritual vision of individual self-realisation (moksha), public good (bahu jana hita), respect for all faiths (sarva dharma

samman) and living in harmony with the cosmos.

## Economic infrastructure

For actualising the inherent potential of growth rates of seven per cent p.a. for GNP, 10 per cent for industry, four per cent for agriculture, 25 per cent for exports or more, massive improvements are needed in several areas of infrastructure, including power, ports, railways, roads and telecom.

## State initiatives in power

The wrong structure and policies had taken an enormous toll of the economy. There is now an awareness of the need for restructuring the whole power sector. But the progress is too slow

## *The realisation of India's growth potential and meeting people's expectations depend critically on quantum improvements in the infrastructure.*

for an economic giant in the making. The average and peak shortages may not only not come down, or even remain stable, but may rise to nine per cent and 20 per cent respectively in 1997. There are fears that the plant load factor (PLF) in coal based thermal plants could decline to 40 per cent (CEA reports). Transmission and distribution losses continue at 23 per cent against an eight per cent benchmark in advanced countries. The power deficit is high not only in a low growth State like Bihar (38 per cent), but even in an investor-friendly high growth State like Karnataka (26 per cent). The share of private generation capacity is only four per cent.

The following actions are imperative:

1. Invite investment in transmission lines by the private sector, for immediate savings of at least 10 per cent of the 23 per cent losses.
2. Encourage station-wise strategic alliances or joint ventures between power plants of State electricity boards and the National Thermal Power Corporation with the private sector for in situ revamping and modernisation, as a quick route to raising capacity and PLF.
3. Urge State governments to take the initiative, as Karnataka, Madhya Pradesh and Rajasthan, with three different political parties in power, are doing to speed up negotiations and clear Indian and foreign private investment in new power capacity.
4. Urge State governments to restructure the State electricity board into a utilities regulator, and corporatise the plants and transmission lines, as Orissa has pioneered. Sell equity and

gradually privatise the new entities.

5. Announce a time bound three year programme of gradual reduction in the subsidised power to agriculture, now the second largest consumer of power, with a share of 27 per cent of the total generation.

6. Raise not only the availability of power, also its "quality" in terms of voltage and frequency, by using world class technologies and systems. This is necessary to ensure the quality of industrial equipment, processes and products in a global market.

Only through such restructuring and policies can we achieve the addition of about 60,000 MW in the next five years and another 90,000 MW in the subsequent five years.

## Port development

Next to power, the infrastructural pinch is hard in the ports of India. The higher economic growth depends both on exports growing at 25 per cent annually in dollar terms and import substitution. Intermediates and materials to support annual industrial growth of 10 per cent. The forecast of the Indian GNP's trade intensity, namely the share of exports and imports, is 10 per cent by 2005, up from the present 10 per cent (Morgan Stanley). Manufacturing Value Added grew by 7.5 per cent in 1994, well above the average (UNIDO Report). The ports are already a constraint and could become more so, without vigorous changes. Five major ports — Calcutta, Paradip, Cochin, Visakhapatnam and Nava Sheva — had a deficit of about Rs. 700 crores in June 1995.

There are problems of storage space, handling equipment, work culture and waiting times for loading and unloading.

The following actions are needed:

1. Speed up all ground level clearances for ten private sector proposals already approved by the Ministry of Surface Transport.
2. Since new port construction may take three years or more, allow the fast-track, new technology of floating units, which can be set up in nine months.
3. Rapidly process new proposals worth about Rs. 21,000 crores received from the private sector for improvements in 11 ports.
4. Chambers and industry associations commission studies and put up proposals to the Government, such as the recent study of Tuticorin port (commissioned by the Federation of Indian Exporting Organisations — Southern Region), to make it into an Asian hub.
5. Bring in the latest handling technology and systems, such as the computerisation of Tanjung Priok, Indonesia's busiest port.
6. Allow Indian private airlines to carry overseas air cargo, and allow more foreign airlines



# for India Vision 2005

cargo landing rights, in enlightened self-interest.

7. Industry should persuade more State governments to follow the example of Gujarat which has allowed the private sector to build and operate 36 out of 41 intermediate and minor ports, for a 30 year period.

## Corporatisation of Railways

Compared to the SEBs and ports under State governments, and telecom under a departmental bureaucratic structure till recently, the Railways with an autonomous board, commercial accounts, subsidiaries and overseas earnings through RITES and IRCON, have been more open to change. Still there is a huge gap. India's big grain stocks enable a target of wheat exports of 2.5 million tonnes. However, the Railways and the Food Corporation cannot cope with the logistics. Iran, China and other countries are interested. The following actions are required:

1. Allow major exporters, importers or transporters to operate their freight trains on existing tracks.

2. Allow them to set up private rail companies, on their own, as joint ventures with the Indian Railways and/or with foreign partners.

3. Create more corporations like the Konkan Railway Corporation for new lines.

4. Gradually corporatise the railway zones. Sell shares and eventually privatise them.

5. Allow entrepreneurs and tourism companies to operate their own coaches and tours and existing track, such as Sterling Holidays' Heritage tours. Later, permit them to set up own rails or lease from private railways.

6. Set up a National Trade and Transport Facilitation Committee (as suggested by an UNCTAD study group) to encourage multimodal transport organisations spanning ports, railways, roads, airways, water, inland container depots and container freight stations.

The magnitude of the roadways problem is mindboggling, when one compares the allocation of Rs. 650 crores in the Government's 1995 budget, against a long term requirement of Rs. 160,000 crores (about \$ 50 billions for building super highways and upgrading the existing "national highways". Some positive steps have been taken, such as the setting up of the National Highway Authority, throwing open segments to the private sector and fiscal incentives. Further measures along the following lines will be needed.

1. Accelerate the feasibility studies being done by 22 Indian, foreign and joint venture construction companies.

2. Set clear, transparent criteria for bidding and issue unambiguous tenders, learning from the initial confusion in power and telecom tender processes.

3. Strengthen the incentives such as rights for commercial use roadside land, advertisements and passenger amenities to make the projects bankable and attract domestic and international equity and debt funds.

4. Industry should impress on their respective State governments the need for easing the procedural hurdles at various stages, beginning with land acquisition.

5. Considering that 35 per cent of the population may be urban by 2000 A.D., levy a cess (as suggested by the Indian Roads Congress at its 56th annual session) on sales tax, and dedicate it for development of urban roads.

## Opening up of telecom sector

The Indian telecom sector is beginning to stir with new life. There is a huge gap. The teledensity, measured by the number of telephones per hundred of population, is one per cent. Efficiency measured in call completion is about 70 per cent. Till recently, the range of services was very narrow, restricted primarily to voice telephony. The creation of MTNL in 1986 and the Telecom Commission in 1989 were attempts at change,

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which got derailed. The Athreya Committee Report (1991) created a long term agenda for transformation. Several positive initiatives have been taken — private sector participation beginning 1992 in cellular telephone service in the four metros, paging in 27 towns, e-mail, fax mail and videoconferencing; the National Telecom Policy, 1994; cellular and basic bids in 1995; the proposal for a Telecom Regulatory Authority. The progress has not been smooth. It has been affected by lack of full transparency, litigation and some confusion.

The following actions are needed:

1. The private companies which have received letters of intent for cellular telephones, two in each of the 20 circles, should complete the formalities and begin construction.

2. In the event of litigation on the cap issue, the Supreme Court should continue its leadership role, in the public interest, transfer all cases to itself and give an early judgment.

3. Similarly, the licensees of the first five basic

circles should start construction.

4. The Ministry of Communication should complete retendering for the 10 "low bid" plus the surrendered five circles quickly, with transparency, and award licences.

5. Litigation is more likely in basic services. If so, the Supreme Court can again help in this crucial infrastructure area.

6. The TRAI law should be passed early.

7. The MoC should complete the internal restructuring into three parts — Telecom Commission for Policy; TRAI; and all telecom service operation in the form of corporations, to be gradually privatised.

## Social infrastructure

The World Economic Forum, Geneva, has ranked India 39th in competitiveness, quite low. The UNDP has also ranked India low on the Human Development Index, Gender Development Index and Gender Empowerment Measure. These two sets of ranking are not unconnected. We need massive improvements in health, education, housing, job creation, rural and slum development, environment, etc. The following actions are necessary:

1. The Government to follow up liberalisation of industry, by increasing the allocations, from the rising tax revenues, to the above social and human capital investment heads.

2. Industry to provide mini social safety nets — by each company in areas surrounding its plants, depots and offices and by chambers and associations at the regional or industry level. While there is no room for legislation or uniformity, each company may consider a minimum, say one per cent of profit or one tenth of one per cent of turnover, whichever is higher. New projects may begin by spending a minimum of one per cent of capital expenditure.

3. Industry to contribute funds to local, small NGOs as well as to regional and national NGOs, for supporting worthy social development projects.

4. Companies to sensitise their employees who are fortunate job holders, to be change agents of development in their extended families, local communities where they live, and native villages or small towns where they hail from.

5. Experts in all fields of science and technology to innovate socially relevant, low cost solutions and popularise them for widespread application.

M. B. Athreya

(Summary of talk delivered at the Indian Chamber of Commerce and Industry, Calcutta.)



# Looking into 1996

## Liberating Literature from Language

By SHAMA FUTEHALLY

AS we enter the new year, writers and publishers of English feel perhaps that the "scene" has never been so good. In many ways, of course, they are right. Nonetheless, I am beginning to have some fears for the new writing, fears which — like many other things — would have seemed unthinkable ten years ago.

When Indian writers began to use English, they faced one overmastering challenge: to make the language their own. The unevenness of the early writing, even that of important figures like Raja Rao and Kamala Markandeya, stand testimony to the difficulty of this challenge. In word after word, writers had to steer between the British tone and the Indian one; the wrong sound and the right; the word which was right but sounded wrong; the word which was appropriate but which was not yet ours. In the absence of a homogeneous readership, there was no shared suggestion between writer and reader; and such suggestion is after all the main tool with which a writer works. In that sense, the early writers were working in a vacuum. It was this sense of vacuum which prompted observers to say that Indians could not write meaningfully in English. For all that, the writers in question struggled away, and they left, for those who came after them, a legacy of usable Indian English.

### Superficial Writing

So the language became our own, and we could use a 'desi' English without putting desi in italics. It is a matter of opinion which writers mark the change; I myself would say it was G.V. Desani in fiction, Nissim Ezekiel in poetry, and Shashi Deshpande in women's writing, since that has somehow become a separate category. What is certain is that the change was liberating as only true self-assertion can be. Because, finally, language is experience, no more and no less. We could speak in our own way because we experienced ourselves as Indians and not as would-be colonials.

So far so good, and fairly obvious as well. Subsequently we have had the Boom, and in the last ten years the Boom has resounded on all sides. We have seen many new writers, much excellent writing, and — well, some little self-congratulation. Have we not, after all, quite laid low the pernicious argument which claims that Indian writing in English can only be superficial?

But there is something about this argument which refuses to go decently away. Vanquished though it

be, it sidles up again and plucks at our sleeve. And what are we to do? We have produced many hundred yards of impeccable English prose. We have held up genius after genius to public view; we have ensured the approval of the West itself. Above all, we have taken up weighty cudgels on our own behalf. Is it necessary, we demand, breathing very heavily, to go looking at slums and villages before we can write? But a voice whispers that we are not being asked to look at slums and villages, and would see very little if we did. We are merely being asked to look at ourselves, and if we did so with clarity, we would also see something about the world around us.

### Visual Media

That, alas, is the problem. Looking at ourselves is by no means easy; it does not become easier with time; and the writers who can do so are as few as there ever were, whatever the glossy magazines may say. Looking at ourselves means looking at a Westernised self, a modern Indian self, and a third self that has something to do with grandmothers and mother-tongues. Increasingly, and with bewildering rapidity, it means doing so through the fracturing of experience which is brought about by modern technology, for instance by the visual media. To write, in these conditions, you would have to pick your way closely through all this, hanging onto real experience as tightly as possible.

As we have seen, the earlier writers were forced to do precisely this, or at least they were forced to try, because in no other way could they earn the language in which they wrote. And we? In 1996, we appear to have forgotten that it needs to be earned at all. In the new India our language, like so much else, is too easily acquired. And like all easy acquisitions, it shows signs of being exhibited without a purpose.

The following paragraph, which is typical of much recent writing, will show exactly what I mean. It is from a new book of short stories which is advertised as "The Most Electrifying Book Ever," and which is currently being rapturously reviewed: "The night was a huge coliseum of glass, an audience of countless eyes which were like witnessing mirrors, seeing everything as a reflection of itself (sic); aboriginal rivers which flowed down from savage, pre-historic mountains, through phantom forests full of stealthy, swift movements. The night was an ancient and undefinable memory, bringing to her the

scents and spoors of a familiar, yet unrecognisable past and in that travelling glass, Rita saw herself as both a leaf and a wind."

To me, this is language which has forgotten where it comes from. These rich, gnarled words — "ancient" or "scents" or "stealthy" — have each their associations, their filaments and roots. If the writer is aware of them, the word becomes altogether too heavy to be flung into a basketful of disparate words with such lordly ease. I was not surprised to see the same writer speak of a character travelling along a "country road" and stopping at "a bramble fence". Country roads are not a part of the Indian experience; village roads are. And bramble fences? The disjunction between language and experience is complete; quite as much as when Indian writers first tried to write poetry about daffodils.

Neither is it surprising that language so ephemeral sounds more and more like language outside literature. Here is a passage from a review of the same book, and it could easily belong to the book itself: "As the adorned ghosts march out of the dark lushness of his words, a verbal ballet of frenzied movements, they are memories matured in the oldest paradoxes of fear. If fear is the intimacy of the unknown, the stories of this book are a spectral picaresque illuminated by the strobe lights of the neurotic present."

### Liberated India

It is hard to see that language flaunted in this way is doing anything other than prove how completely it is possessed, while implying that it is worth possessing. If our language continues along the same lines, it will soon enter that haven of all possessors, the advertising world. Once it is within those portals, there is no stopping it. It declares jauntily that a certain brand of shirt belongs to the region of the Timeless; it announces that new bathroom fittings will enrich your life as nothing else has ever done; it invites you, in all seriousness, to "liberate your body and soul" by riding about on a certain kind of motorcycle. It is, in short, the most electrifying language ever.

And this language, which uses easily acquired words to peddle easily acquired goods, epitomises my fears about the new writing. The new writing is edging somewhat nearer, not unwilling to be seduced. Will it in fact be so? Will it, in other words, reflect only the liberalised India, before it has properly noticed the liberated one?



# Are economic reforms in jeopardy?

**A** NAIL-BITING guessing game about the schedule for the forthcoming Lok Sabha elections is the reason for the principal contenders for power not rushing in with their prescriptions for national "nirvan". Not as yet. The Bharatiya Janata Party is about the only national outfit which has ventured to launch its electoral campaign with its awesome duo, Mr. Atal Behari Vajpayee and Mr. L. K. Advani, proclaiming their cocksureness that the saffron brigade will make it this time to the citadel of political power in New Delhi. Even granting that the BJP may be suffering from a bout of megalomania in claiming that it will notch up as many as 320 seats in the 11th Lok Sabha, it would be premature to discount its chances of emerging as a serious aspirant for political power at the national level. The National Front — Left combine, by comparison, appears at the moment as too inchoate and disparate a political combination to make any big impact on the electoral outcome.

Political analysts seem to be converging on the viewpoint that no party will command an absolute majority in the new Lok Sabha and that the process of cobbling together a majority coalition will prove tortuous and, possibly, such a makeshift coalition would be too fragile to provide a coherent and credible Government over the medium term. The scenario of political volatility that seems to be only months away cannot but evoke disturbing prognostications about how the Indian economy will fare in a turbulent political phase.

Thus, in case, neither the Congress(I) nor the BJP is able to form the Government at the Centre, the prospects of economic reforms being consolidated or fine-tuned and much less accelerated would indeed become problematical. In practising the art of the possible, if either the Congress(I) or the BJP were to form post-election alliances with other national/regional parties, even then economic reforms would suffer some fracturing owing to the process of political compromise, accommodation and, inevitably, dilution and delay. If the essence of economic reforms lies in pushing the rate of economic growth beyond the six per cent threshold per year, as has been highlighted by Mr. Lee Kuan Yew, the senior statesman of Singapore, coalition politics at the Centre could prove inhospitable to a programme which seeks to accelerate investment and productivity to the desired minimum levels on the basis of a larger interface with the global economy. The Congress(I) president, Mr. P. V. Narasimha Rao, has nonchalantly pooh-poohed the vision of a "hung" parliament emerging after the elections. He would set store by the strategy of seeking a renewed mandate for his Government on the basis of the well-worn criteria of stability and continuity. It is a different matter that the BJP would counter this strategy with a well-orchestrated denunciation of the corruption which has been let loose by the Congress brand of economic liberalisation bordering on a permissive culture where scams have become the order of the day.

In theory at least, there appear to be three broad "plausibilities" as electoral platforms in the 1996 contests. First, there is the secular bandwagon — a phalanx of political parties — aiming to thwart the ambitions of the

*The scenario of political volatility that seems to be only months away cannot but evoke disturbing prognostications about how the Indian economy will fare in a turbulent political phase.*

BJP and its calculations of a Hindutva wave catapulting it to power. Second, there is the Swadeshi alliance of political parties which are uncomfortable with an economic policy which appears to be an invitation to new global economic imperialism operating through the MNCs. Third, there is the probability of a political combine with the Congress(I) as its spearhead which would solicit support from the electorate on the strength of its economic performance in the new dispensation of liberalisation.

It is not a mere coincidence that the Congress(I) and the BJP can both tune in two of these three electoral appeals. The Congress(I) can conceivably identify itself with the secularist bandwagon apart from playing the "reforms with a human face" card. The BJP, for its part, could live in two worlds as it were, namely, the Swadeshi alliance (with its as yet ambivalent perception of self-reliance) and the pro-reform combine. Both the BJP and the Congress(I), therefore, seem to have a greater degree of post-election manoeuvrability compared to the parties in the National Front — Left alliance.

After all, the BJP avowal of Swadeshi is a form of economic double-think. Foreign investment is welcome, say the BJP heavy-

weights but on "our terms" whatever that might mean. It is no diehard opposition to the MNCs but rather the simplistic affirmation that the interests of home-grown enterprise ought not to be sacrificed at the altar of globalisation. The point is that the BJP is hard put to articulate its brand of economic nationalism without rejecting the paradigm of globalisation. The BJP leaders have gone out of their way to impress investors from abroad about their faith in liberalisation which they claim was their original economic agenda which the Narasimha Rao Government has subsequently hijacked! Selective liberalisation of investments and imports, along with proper sequence in the process of opening up the economy for competition, is the BJP interpretation of Swadeshi. The fact that the BJP

has hitherto not been reckoned with by the electorate as a party which could be "the alternative" to the Congress(I) Government and the antecedents of that party — that its support-base has been the trading community particularly in the Hindi heartland — have much to do with the party's sense of discomfort with the MNCs and generally with the concept of foreign direct investment and technology transfer from the developed countries.

Till a few weeks ago it appeared as if Mr. Narasimha Rao was not in too great a hurry to get the Congress(I) election strategy worked out in its thematic content. The classical Fabian tactics of wearing out the adversary through sheer attrition seemed to be his preferred gambit. Stability of Government — almost the equivalent of a national miracle in the case of the five-year old Nara-

simha Rao Government — looked a strong enough claim with which to overwhelm the Opposition parties. But now a strategy seems to be indicated both by the monopoly Government media, Doordarshan and Akashvani and by the spate of "Government handouts". The Government seems to have suddenly discovered the virtues of "development news". Remember all the bitter crit-

icism against the new economic policy that it penalised the poor, lacked a human face and gave the devilish market forces a free rein to the utter disregard of the ancient Indian culture and system of values?

The Congress(I) Government now wants to put the record straight. Who said that economic reforms have created new inequities? On the contrary, during the last three years, because of reforms, new jobs have been created at an annual average rate of six millions. It is believed that on the basis of NSS studies, the poverty ratio has declined from 25 per cent in 1987-88 to less than 19 per cent in 1993-94. What is more, the real wages of unskilled agricultural labour have gone up by an annual average of four per cent during the last three years.

The Government has also consistently claimed that economic reforms have met with significant success in the external sector. What is the test of success? Of course, it is the surge in forex reserves from a mere \$1.2 billions in June 1991 to around \$20.5 billions in March 1995. If, subsequently, the reserves dipped by about \$3 billions, mainly due to exchange intervention operations carried out by the RBI, it is not due to any Mexico-like meltdown but due to the need to ensure that the rupee did not depreciate too much owing to speculative forces.

It is obvious that the Congress(I) will approach the electorate with upbeat claims of accomplishment on the economic front. Right now, with inflation having been brought down to less than seven per cent, Mr. Narasimha Rao need not apprehend any backlash where the economic reforms are concerned. Aside that is, from widespread groaning about the poor having been oppressed by high prices.

The strongest of the pro-reform constituencies is evidently the business community. There is no question that the reforms have tangibly benefited the industrial and commercial classes. These would undoubtedly prefer to have the Narasimha Rao contingent back in power. At the worst, the business leaders in India would be willing to reconcile themselves to a BJP Government, given the unabashed efforts of the BJP leaders to woo the business community with their avowed broad commitment to the pursuit of economic reforms. Whichever way the electoral pendulum swings, economic reforms are not in danger of being jettisoned. But of delays and recurrent paralysis of action, who can ever be sure?

THE HINDU. 17/1/96.



# When democracy gains anarchistic overtones

PROF. GALBRAITH'S description of India as a "functioning anarchy" is stunningly accurate. It is perchance the most appropriate description of the current state of public life in Kerala. No day passes without the average citizen being exposed to the risk and hazards of protest marches and demonstrations along the public roads or in front of government offices or factory gates. No town or countryside is immune to the threat of such organised demonstrations which are easy means to ventilate some real or imaginary grievances of an organised section of people and sometimes for a show of strength by some organised political or communal group.

Those who bear the brunt of this misery are the inhabitants of the capital city of Tiruvananthapuram. Many of the agitations target either of the two seats of government — the Raj Bhavan or the Secretariat — for their so-called marches. Some leaders prefer to drive their shouting hordes to the residences of Ministers.

On such days a large number of people, mostly mercenaries, are brought from different corners of the State in buses and trucks and dumped at a convenient starting point from where the procession commences on a slovenly trek, filling the main roads and inching its way to its destination which could be either the Raj Bhavan or the Secretariat or any other target of its wrath. The vehicles which bring them are kept stationary for hours all along the by-lanes.

The shouting brigades completely occupy the entire road space, holding the normal traffic at bay. The parked vehicles which choke the arterial roads complete the dismal picture of a city under siege. The police, in their anxiety to provide safe passage for the huge processions, divert traffic from the main road, making it impossible for the denizens of the besieged city to move around in pursuit of their normal avocations. These massive demonstrations lasting a good part of the working day brings social life to a standstill.

A much more cruel game played by organised groups is to call for a local or a State-wide bandh. These calls are sometimes given well in advance and, not infrequently, at short notice. This is either as a climax to an agitation against the Government or a knee-jerk reaction to an event which hurts the susceptibilities of some political or communal groups.

Until some years ago, such bandhs, which totally paralyse social life, were observed at the behest of important political parties. But of late, even miniature political parties or groups with doubtful mass following resort to such bandh calls. For fear of violence, shop keepers down their shutters, automobiles keep off the roads, educational institutions and government offices either function with reduced strength or do not function at all. As the sun sets on the agonising day, the organisers would make a pompous claim that the response to their call for a bandh was an authentic affirmation by the public of the justice of their demand.

The fact is that life becomes paralysed only because of the public's fear of reprisals by rowdy elements who roam the streets or lurk at corners to 'enforce' the bandh. The average citizen is gripped by the fear for his life and limb and anyone who tries to defy the extra-legal injunction of the sponsors of the bandh runs the risk of grievous financial loss or physical injury.

In a democracy, mass protests and demonstrations cannot be prevented. In fact, those who opt for democracy as the best form of government will hardly grumble if democratic dissent gains free play. But disapproval comes

when there is an overdose of protests calculated to hold the people to ransom and to bring social life to a grinding halt with more tidal regularity than they can endure. What should be taken as a medicine should not be consumed as diet. Bandhs often degenerate into an intolerable tyranny of an organised multitude against a mass of mute, unorganised citizens.

These mass demonstrations and bandhs are organised under the perverse impression that democracy liberally permits such public protests. This is not true. If organised life in an open society is subjected to constant turmoil, people will gradually lose faith in the efficacy of this most desirable form of government.

Democracy basically rests on two fundamental principles. First, the individual is of the greatest value in life and that the success of any civilisation or the efficiency of any government should be judged in terms of the scope it affords for individual development. The production of the splendid individual as distinct from the mechanically efficient society is the aim of the democrat. Democracy lays greater stress on development of the individual than on the growth of the community. The individual, for the democrat, is not to be treated as "a drop of blood in a racial purity, nor as a cog in a proletarian or totalitarian machine, nor as an ant in a social termitary," but as a self that must live and grow according to the highest law of its being.

The second important principle of democracy is freedom as fostering the tender plant of individuality. Freedom is the life breath of the individual and is the thing for which the individual lives. Shorn of freedom, he is no better than a robot or automaton. From these twin concepts of the sacredness of the individual and the necessity of freedom, all other minor principles of democracy follow.

As Prof. Harold Laski reminds us, "Liberty is the eager maintenance of that atmosphere in which men have the opportunity to be their best selves." Those who take out huge demonstrations paralysing traffic and preventing individual citizens from exercising their right to move about freely are challenging the concept of the splendid individual endowed with freedom. Hence a perverted show of mass protests does not have the sanction of democratic freedom and the inalienable rights of man. It simply flouts the idiom and grammar of democracy.

It is sometimes claimed by the sponsors of demonstrations and bandhs that such activities are permitted by our Constitution. They often cite Article 19(1) in defence of their argument. True, the provision gives freedom to the citizens to peacefully assemble without arms and hold public meetings and express their dissent. But they overlook the fact that the exercise of this freedom is subject to three restrictions — the country's sovereignty, integrity and public peace. If the demonstrations endanger any of the three aspects, it is clearly a violation of the Constitution.

The reasonable restrictions permitted to be imposed by the Constitution have been written into the laws of the land. For instance, the Criminal Procedure Code has devoted a separate chapter dealing with the preservation of public order. The Kerala Police Act (Sections 18, 19 and 20) lays down rules for preservation of order.

Section 18 empowers the District Magistrate, with the previous sanction of the Government, to regulate traffic on streets and the use of public places so as to prevent danger, obstruction or inconvenience to the public. Section 19 empowers the Superintendent of Police to direct assemblies and processions in any street and specify by general or special notice the routes by which and the time at which they may pass. It also gives him powers to prevent obstruction during processions and assemblies on any street or in public place which may be thronged. Section 20 empowers any Magistrate or police officer to stop any procession which violates the conditions of licence granted under Section 19 and to disperse such assembly.

The reference here to the statutory provisions is to show that the law as it exists today gives ample powers to the enforcement agencies to impose reasonable restrictions to curb the tendency to violate the liberty of the citizens by organising demonstrations and calling for bandhs.

It is clear that bandhs and mass demonstrations endangering normal civic life is an outrage on the principles of democracy, violation of the Constitution and a transgression of the law. When such unabashed outrage is committed on our democratic polity, the Constitution and the laws, it is the duty of the enforcement agencies to step in to defend the laws.

But, unfortunately, far from invoking the constitutional powers, the authorities turn a Nelson's eye and put the lives of the ordinary citizen at risk. In other words, it is the failure to enforce the law of the land by those who are paid by the tax payers that causes the chaos engineered by the enemies of society.

This conscious dereliction by the law enforcement agencies is the result of their disinclination to expose themselves to the displeasure of the political executive the survival of which mostly depends on shying away from hard decisions which entail unpleasant results. Hence the political executive which has assumed power and is bound by a sacred vow to defend the Constitution and to dispense justice without fear or favour becomes the villain of the piece.

The ideal solution is to have political executives which have the determination to defend the constitutional rights of the citizens, backed up by an enforcement agency which is equally determined to exercise the powers conferred on it by the statutes.

We are singularly unfortunate to have politicians who put their own survival and petty political gains above the common man's life and liberty. The political executives forget that disruption of the rule of law by non-enforcement and dereliction of duty will destroy democracy which is Government of, by and for the people. When Abraham Lincoln defined democracy in those celebrated words, he would never have imagined that the succeeding generations, in countries like ours, will make it a political device to fool the people and to buy the people.

M. K. Joseph

Former Director General of Police, Kerala

THE HINDU.



# The Unquiet River

IMAGINE a game in which a ball is placed on a board with six slots and the board is shaken until it falls into one of them. The slots are the rain god Varuna (V), the Supreme Court (SC), the Cauvery Water Disputes Tribunal (TR), the Government of India (GOI) and the Governments of Karnataka (GOK) and Tamil Nadu (GOTN). The Cauvery dispute rests in V from time to time and then the board is shaken tossing it into the SC from where it gets tossed back and forth between TR, GOI, GOK and GOTN. This pretty much picturises what has been happening to the Cauvery dispute during December 1995 and January 1996 except that what is involved in the ball game are serious matters concerning output, incomes and rising prices for lakhs of producers, agricultural labour and consumers dependent on the Cauvery delta agriculture in Tamil Nadu.

As we are aware, negotiations over 22 years not having produced a solution the dispute was referred to the Cauvery Water Disputes Tribunal constituted under the Inter-State Water Disputes Act. The Tribunal passed an interim order in June 1991 and a clarificatory order in April 1992. These orders directed Karnataka to ensure that 205 tmc ft. of water was made available to Tamil Nadu at the Mettur reservoir between June and May of each year on the basis of a monthly schedule of releases with deficits in any particular week being made good in the subsequent one. The Tribunal also observed that "if due to any change in circumstances undue hardship is caused in a particular year to any party, it will be open to such party to approach the Tribunal for appropriate orders" and "if in future a situation of distress was caused by diminution in supply of water for meeting the releases ordered, the method of pro-rata sharing of waters could be adopted." The Tribunal, however, failed to define "undue hardship", "situation of distress" or the "method of pro-rata sharing."

In 1991, 1992, 1993 and 1994 storage levels in both the States, the South West monsoon which feeds the catchment areas in Karnataka, and the North East monsoon which supplements the river water for crops in Tamil Nadu were satisfactory enough to keep the dispute quiescent. According to newspaper reports, as compared to the 205 tmc ft. at Mettur ordered to be released to Tamil Nadu by the Tribunal, actual releases were 325 tmc ft. in 1991-92, 351 tmc ft. in 1992-93, 223 tmc ft. in 1993-94 and 396 tmc ft. in 1994-95. In 1995, however, the

South West monsoon was late in coming during June-August with the result that the opening of the Mettur reservoir was delayed but there were good rains in September and, as a whole, the South West monsoon turned out to be normal over the Cauvery basin. Faced with a cumulative deficit of 26.6 tmc ft. in June and July 1995, Tamil Nadu once again activated its petition to the Supreme Court in August to direct Karnataka to implement the Tribunal's award but the matter

*Given variations from season to season in rainfall and storage levels, no solution will be sustainable unless the basin States continuously submit to equitable rules of regulation in a spirit of goodwill and accommodation.*

rested there until early December when the Tamil Nadu Chief Minister wrote to the Karnataka Chief Minister to release 30 tmc ft. to save the standing crops in the delta — the long duration Samba (August-January) and the second Thaladi (October-February) crops. She also followed it up with seeking the Supreme Court to direct Karnataka to do so. This was precipitated by the fact that by this time the North East Monsoon, which would have normally supplemented the river waters, proved to be substantially deficient in Tamil Nadu, of the order of 45 per cent. Later in December, the Supreme Court asked Tamil Nadu to approach the Tribunal; the Tribunal directed Karnataka to release 11 tmc ft. being the cumulative deficit until mid-December and to keep up further releases of 17.4 tmc ft. until end May; Karnataka not willing to do so, Tamil Nadu again moved the Supreme Court for a direction; and the latter requested the Prime Minister to evolve a solution in consultation with the Chief Ministers and other political party leaders pending its hearing of Tamil Nadu's enforcement petition scheduled in February 1996. After the intensive discussions, the Prime Minister requested Karnataka to release 6 tmc ft., which has been complied with by Karnataka, and has appointed an expert team to recommend further releases to the extent necessary. This is where matters stand at the time of writing.

This account should show the utter inadequacy of the processes available and the methods adopted to resolve a vital issue like the sharing of river waters between two

neighbouring States in India. All along, all the actors involved will have to share the blame. During the long years of fruitless negotiations between 1968 and 1990, both the State Governments took dilatory and implacable positions and the Centre failed either to play an effective mediatory role or to refer the dispute for adjudication in a timely manner. The Tribunal, having come out with an interim award, is proceeding at a leisurely pace; in a few months it will be

completing six years of existence. Furthermore, the nature of its interim award is defective in that it does not in itself provide for variations between good and bad monsoons and requires the parties to seek judicial remedy every time a crisis erupts not recognising that crop water requirements cannot wait for the slow motion progress of tribunals and courts or for political willingness to abide by them.

The Cauvery dispute, unlike other river disputes in India, relates to the sharing of waters that are already being heavily utilised rather than to the allocation of hitherto untapped surpluses. This means that no sharing arrangement can be postulated on a once-for-all, cut-and-dried formula. Given variations from season to season in rainfall and storage levels, no solution will be sustainable unless the basin States continuously submit to equitable rules of regulation in a spirit of goodwill and accommodation.

The implication that follows is that the current crisis should impel the Centre and the basin States, primarily Karnataka and Tamil Nadu, to look for active conciliatory processes even while adjudication by the Tribunal proceeds. The first step will be for them to resile from the rigid adversarial legal positions they have taken before the Tribunal and agree to the dispute being settled on equitable grounds that take account of Karnataka's needs and aspirations, the concerns of Tamil Nadu and Pondicherry to protect their established irrigation, and Kerala's interest in developing its irrigation and hydro-electric projects. General principles

for such an equitable, rather than a purely legalistic, approach to be pursued are already available in the Helsinki Rules for the settlement of international river disputes. They can be adapted to the extent necessary by the guidelines which are proposed to be adopted by the National Water Resources Council due to meet in February. Once all parties agree to the general principles, the next step will be for the parties to accept mediation by an individual or a small group to be chosen by themselves or to be appointed by the Prime Minister. The mediation can proceed alongside the Tribunal's consideration of the dispute. It should be time-bound and need not be seen as a return to the past pattern of desultory negotiations. In fact, it should produce results before the next irrigation season in May 1996 when once again a severe crisis is bound to erupt given depleted storage levels in Karnataka and Tamil Nadu. Whatever issues remain unresolved through mediation can be left to the Tribunal to adjudicate. Even if the conciliatory process is not fully successful it would have made the parties talk to each other (at least at arms length) in an effort to narrow the gap between them. By doing so, mediation can make it easier for the Tribunal to arrive at a final award, hopefully during 1996, which the basin States can live with.

Given the political compulsions on him, Mr. Deve Gowda, has not been unreasonable. Soon after he became the Chief Minister of Karnataka in December 1994, he expressed himself in favour of a negotiated settlement that could be "routed through the Tribunal". He has accepted the Prime Minister's intervention in releasing 6 tmc ft. despite strong political opposition and law and order problems in Karnataka. He has not yielded to the pressures on him to boycott the Tribunal; and has only wanted it to await the National Guidelines to be formulated in February.

Throughout history, river water disputes have arisen between and within countries and they have been resolved, or at least contained, on a sustained basis. The Cauvery dispute need not be an exception. It can also be solved, and indeed can only be solved, in a conciliatory approach. Unless such an approach is initiated straightaway and pursued energetically, the crisis in the next season will prove to be even more serious and much less tractable than what was witnessed during the last two months.

(The writer is also the author of "The Cauvery River Dispute: Towards Conciliation," published by Frontline in 1993.)

THE HINDU



# The end of dominant party

WITH only four months left for the next elections the time for action has passed and the curtain is coming down on what must by any yardstick be the most momentous five years in the country's history since the early golden years of Pandit Jawaharlal Nehru. These years have seen an impressive tally of achievements. The insurgency in Punjab, which began in 1983, has been crushed. The far more serious insurgency in Kashmir is at a low ebb. Political conflicts centred on caste and religion, that had surfaced volcanically in 1990 and 1991, have died down. The economy is doing exceptionally well, and inflation, if the official statistics are to be believed, is at a 120 week low of 6.4 per cent.

But a current of nervousness is running just under the surface calm. It is visible in the prolonged slump in share market prices, a sharp fall in the volume of new capital being raised by the corporate sector in the primary capital markets, an unwarranted nervousness over the stability of the rupee, and most significantly, in the galloping price of land.

The reason is the all pervasive nervousness about the outcome of the next elections. India has so far had ten general elections. So Indians should have been able to take the eleventh in their stride. But everyone knows that this election will be different. The reason is the certain knowledge — one that not even the Congress leaders are bothering to hide — that the party will not come anywhere near getting the 273 seats needed to gain a majority in Parliament. What is more, it is equally certain that no other party will be able to take its place. India is therefore headed for a period of minority government formed by coalitions of political parties. Past experience has taught Indians to distrust coalitions.

This will not be the first time that the Congress will fail to get a majority. In 1989, under Rajiv Gandhi, it gained only 198 seats. In the last elections, it improved its tally to only 219. Earlier, in 1977, after the Emergency, its tally had fallen to 153. But on all those occasions, the party had retained its dominance of Indian politics, a dominance inherited from 75 years of leading the struggle for Independence. Even when coalitions of Opposition parties ruled in Delhi, the public saw them as temporary occupants, for they contained parties both of the left and the right, that had little in common except their desire to oust the Congress

from power. The Congress therefore remained the dominant force and continued to set the agenda for the country.

This long era — the era of dominant party democracy — is drawing to a close. Indeed had it not been for the assassinations of Mrs. Gandhi in 1984 and of Rajiv Gandhi in 1991, single party dominance would probably have ended in 1984. In a string of 23 by-elections spread across the country, in May of that year, it had received less than 37 per cent of the vote. But then Mrs. Gandhi was assassinated in October by her Sikh bodyguards. The resulting wave of sympathy and indignation gave Rajiv Gandhi a majority in Parliament that even Pandit Nehru had never enjoyed. However, by 1989, when elections became due again,

*This election will be different. India is headed for a period of minority government formed by coalitions of political parties.*

the Congress party's vote had dropped to 39.5 per cent once more.

Exactly the same thing happened in 1991, when Rajiv Gandhi was assassinated in the middle of the elections after two-fifths of the constituencies had gone to the polls. A careful analysis of the voting before and after the event showed that the Congress gained around 5.5 per cent of the vote because of the outpouring of sympathy that followed Rajiv Gandhi's death. But that wave too has spent itself. Various byelections and, less ambiguously, the Congress loss, between December 1994 and March 1995, of State elections in Andhra Pradesh, Karnataka, and Maharashtra, which had been its strongholds for the past four decades, have shown that even holding 32 per cent of the vote will not prove easy.

In a proportional representation system, 32 per cent of the vote would have given it around 180-185 seats — or just enough to be sure of emerging as the dominant partner in a future coalition government. But under the first past the post system, even this tally seems well beyond its reach, for at this level of support, the simple majority voting system, which has so far worked in favour of the Congress, is more than likely to turn against it. The reason is that while all of the

Congress' rivals are much smaller than it is, their vote is not spread out evenly throughout the country but is concentrated in small parts of it where they can give the Congress a good fight. Like ink dots on blotting paper, these local concentrations of the non-Congress vote have now spread till they cover most of the country. In most areas, therefore, the Congress is in imminent danger of being reduced to the second position, and in one, U.P., which elects one fifth of the members of parliament, it has already been pushed down to third place.

Should this happen throughout the country, it is even possible that the Congress will not get a hundred seats. But most observers consider such a complete debacle unlikely. It is more likely that in two or three States

where it fared poorly in 1991, the political pendulum will have swung in its favour and will give it a majority of the seats. Based on recent State election results the ones most likely to swing the Congress' way are Orissa, Madhya Pradesh and Rajasthan, and Himachal Pradesh. The Congress is also likely to make significant gains in Rajasthan and Gujarat.

It is also possible that a measurable fraction of the electorate will vote differently in the national election to the way they did at the State level. These would be the middle voters, who generally vote on issues, and make up their minds at the last minute. Needless to say the majority of such voters are from the middle class and the middle class is more than likely to opt for stability and continued economic reform.

If all these factors work in favour of the Congress they may enable the party to gain somewhere around 160 seats. With the AIADMK in Tamil Nadu, the Congress could command a stable 180 seats in Parliament. While this would not be sufficient for it to rule alone, it would virtually ensure that the next coalition is led by the Congress. This is not, of course, a view shared by the BJP which claims in public at least, that it expects to win no less than 260 seats and form

the next government. But that estimate is patently untenable.

The reason is that up to nine-tenths of its support is concentrated in five large and two mini-States, Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Uttar Pradesh, Delhi and Himachal Pradesh. This concentration enabled the BJP to get 23 per cent of the seats in Parliament with 21 per cent of the vote, in 1991, but it will effectively prevent it from adding many more seats to its tally in 1996. To do so it must break into new areas with enough votes to get past the post first. But a study of past elections shows that except for U.P. this is the very same area that the Jana Sangh and the Swatantra had carved for itself as far back as 1962.

Since then all that it has achieved is to deepen its hold on the electorate of these areas. In 1989, when the BJP set up 86 candidates outside its traditional strongholds, 85 of them lost their deposit. The most it can hope for in 1996 is to capture a few more marginal urban constituencies, where the lower middle class, from which it draws most of its support predominates.

Between the two of them therefore the two major contenders are not likely to capture more than 300 seats in Parliament. To whom will the remaining 240 go? The short answer is that two States, West Bengal and Kerala, are likely to go to the Left Front while another three States, Bihar, Karnataka and Andhra Pradesh are likely to stay with the Janata Dal and its electoral ally, Mr. N. T. Rama Rao's Telugu Desam. Together these erstwhile members of the National Front-Left Front (NF-LF) could therefore end in a close third place with no fewer than 110-120 seats.

Since neither the Congress, nor the NF-LF is prepared to have any truck with the BJP, if the former (with the AIADMK) does manage to nose ahead with 160 or so seats, a coalition between it and the Left Front, with all or a part of the NF is a near-certainty. Such a government will undoubtedly carry on the reform policies of the Rao Government.

However, if the Congress fails to get more than a hundred seats, the lead will pass to the BJP. Very likely the Congress would split and a part of it would join the BJP in its quest for a share of power. India would then enter, abruptly, a new era of two-party politics. For economic reforms this would be a disaster, because the BJP would then be free to pursue its mildly xenophobic policies towards foreign investment.

THE HINDU. 13/1/96



# Rao's secularism in doubt

By NITISH CHAKRAVARTY

**P**RIME Minister Narasimha Rao has said with a greater degree of emphasis than is his wont that the Congress under him will in no circumstances have an alliance with the Bharatiya Janata Party in the government that will be formed after the next general election. His obvious intention is to assure the minorities, especially Muslims, that the Congress remains committed to protect their interests.

## Alienated

The minorities — Muslims as well as various other communities — have for long been alienated from the Congress, particularly in the Hindi-speaking regions of the north. That is one of the main causes of the Congress being reduced to a political non-entity in Uttar Pradesh and Bihar. In other states like Maharashtra, Gujarat, Rajasthan and Madhya Pradesh too the minorities as well as tribals and Dalits have drifted away from the Congress.

The alienation of Muslims from the Congress began much before circumstances catapulted Mr Narasimha Rao to the helm of the ruling party and the government. The process has accelerated over the past few years. The decimation of the Congress in the assembly elections in state after state since 1991 confirms the steady erosion of Congress support among the minorities.

Whatever the Prime Minister may now say to establish his secular credentials, his actions give a contrary impression. Mr Rao began his tenure as Prime Minister by striking a deal with the BJP over the election of the Lok Sabha Speaker. He had then brushed aside the overtures of the non-BJP

parties on the specious ground that, even though without a majority in the House, the Congress as the ruling party was entitled to have its nominee in the Speaker's chair.

By the same token, the BJP argued and the Prime Minister agreed, that being the recognised opposition party the Deputy Speaker's office should go to a BJP candidate.

Even if this was correct parliamentary form, the message that went down was that Mr Narasimha Rao was anxious to split bread with the BJP regardless of the ruling party's well-known differences with the principal opposition over the communal question, the concerns of the minorities, etc. The Rao Government's failure to prevent the demolition of the Babri Masjid in December 1992 was viewed by many as a natural corollary of its policy of treating the Hindutva forces with kid gloves.

The steps the Union Government took, or rather failed to take, after the Ayodhya outrage have, far from dispelling, reinforced the impression that the Prime Minister was prepared to cut secular corners to avoid a showdown with the BJP and its allies.

## A dead letter

The government wanted the Supreme Court to bail it out of the difficult situation it was caught in after Ayodhya but the apex court refused to be the government's surrogate.

In the event the assurance to rebuild the mosque at Ayodhya remains a dead letter. Both Mr Rao and his friend, Home Minister S

B Chavan, have allowed the impression to grow that differences over secular concerns would not come in the way of their doing business with the BJP. Both of them often go beyond the requirements of parliamentary protocol to hobnob with Hindutva forces.

Mr Rao, who has declared Mr A B Vajpayee as his guru, pats him on the back at public functions. Mr Chavan enjoys rubbing shoulders with Shiv Sena and BJP leaders at mutual back-stretching functions, and is lavish with his kudos for the good work they are doing.

## Disillusioned

The message is loud and clear. Not only those who lost faith during the Indira-Rajiv era in the Congress's commitment to protect minority interests but even others who have stuck to the party under Mr Rao are now disillusioned. Even Mr C K Jaffer Sharief, who might not have emerged into national prominence but for Mr Rao's patronage, is no longer sure of the Prime Minister's commitment to minority interests.

The Muslim community's increasing distrust of the Rao Government is reflected in the rejection of its offer to pay the clergy's salary from state coffers. In a belated response to a 1993 Supreme Court directive, the Centre recently announced a half-baked scheme for paying the salaries of some 115,000 imams across the country from the public exchequer. Even though many imams are hardly able to make ends meet, they suspect that in the name of financial relief the government is trying to

put them in fetters.

The announcement was made obviously without much thought about the full implications of paying the salary of the clergy of a particular religious order from state funds to the exclusion of the priests and pontiffs of other orders. No wonder both the BJP and the All-India Muslim Personal Law Board have rejected it, though for different reasons. The government backtracked and asked the state wakf boards to frame pay structures for imams in accordance with the revised Central Wakf Act of 1995.

The later move has, however, only increased the suspicion of Muslims about the Congress government's bona fides insofar as minority interests are concerned. The revised decision has been resented by the All-India Organisation of Imams of Mosques on the ground that the Centre is trying to evade its responsibility. Far from helping to mend fences with the Muslim clergy, the move has widened the wedge between the Congress and the minorities.

Against the backdrop of the minorities becoming increasingly suspicious of the Congress, Mr Narasimha Rao's assurance that his party will have no truck with the BJP after the polls is unlikely to be a decisive step towards confidence building.

## Political dynamics

An unstated implication of Mr Rao's statement is that the Congress does not expect a majority in the next elections. If the Congress and the BJP are neck and neck in the race, the dynamics of power politics will bring them together, no matter what assurances Mr Rao may now give.

DECCAN HERALD.

15/1/96



# Perils of the Presidential system

ALL those in India who have been working tirelessly though unsuccessfully for a changeover from the parliamentary to the presidential form of government ought to have been in Washington during the past three weeks. A brush with reality in the world's mightiest country that has had the presidential system from Day One would have been a useful corrective to their fond belief that a systemic switch would be a panacea for all the political ills that bedevil India democracy, the largest on the globe.

For, at the time of writing, America's federal government is in the throes of its longest shutdown in its 220-year history because of an impasse between the Republican majority in both Houses of the U.S. Congress and the Clinton White House on the key question of balancing the budget. Protracted talks between the two sides have been to no avail even though the earlier bickering after every bout of negotiations has yielded place to mild praise for each other's "constructive approach."

In official euphemism the federal shutdown is "partial," but this is cold comfort to

## Ringside View

the 280,000 federal employees who have been "furloughed" (English translation: forcibly sent home without a penny to their name) or 480,000 more who have been recalled to work but without any pay for the present. And although attention has been focussed largely on the miserable plight of the payless federal employees, the ripple effect of the shutdown has spread the hardship far and wide. For instance, 100,000 workers of the contractors usually hired by federal departments and agencies have been laid off.

Ironically, the indigence of the U.S. federal government has also had embarrassing consequences abroad. For example, the authorities in Vietnam have threatened to cut off the electric supply to the newly opened office of the United States Representative in Hanoi because of the "non-payment of bills." American missions in several other countries are on the verge of losing the services of their local security guards because security agencies insist on cash payments up front which American ambassadors are in no position to make for want of Congressional appropriations.

All this and worse — which has blighted the customary Christmas and New Year celebrations for millions across the country — is doubtless important and heart-rending. So are the reasons for the deadlock over balancing the budget, a laudable objective by itself in a country notorious for its raging fiscal deficits. But it is not relevant to dilate on them here because my purpose is limited to asking whether this is the model we

*Behind America's budgetary impasse, as behind India's search for a quick fix through a systemic change, lies a breakdown of the consensus without which no democracy can function.*

should be yearning to copy.

Let us face it that the current American experience knocks the bottom off the most important and somewhat plausible argument of the advocates of a presidential system for India: that it would liberate the executive head of the government from the tyrannies and treacheries of legislators who are supposed to be, and often are, rapacious, fickle-minded and fitful in their loyalties.

The only part of the argument which is true is that an executive president, once elected for a fixed tenure, cannot be removed through a vote of no-confidence in Parliament or the national assembly. He or she has to be impeached or exposed so thoroughly as Richard Nixon was before his painful and pathetic resignation. But neither the legislature nor the tyranny of the majority of the legislators disappears. Even an irremovable president has to come to terms with the wishes of the legislature. If necessary, by making compromises.

The record shows that several American Presidents in the past have used both threats and temptation, coercion and cajolery, bamboozling and blandishments, even blackmail and bribery to make dissenting or recalcitrant Senators and Congressmen fall in line. Will that be a better substitute for the skulduggery currently resorted to in order to secure and maintain parliamentary majorities?

Surely, it cannot be anyone's case, in India or in the United States, that in the interest of effective governance, the system of checks and balances be given up and duly elected presidents be given absolute authority. Such an absurd doctrine will be the sure-

st recipe for perennial dictatorship around the globe. For, even presidents duly elected in a fair election initially, will find ways, like Marcos in the Philippines, to extend their tenures for life. They will go either on a gun-carriage or in front of the gun.

A crucial point about the present American crisis to be borne in mind is that its fallout is not all confined to domestic politics or to some minor embarrassments in the

running of foreign embassies. Some important foreign policy issues have also been held hostage because of the intense political discord. Of the available instances, two should suffice.

First, this year's U.S. aid to Israel, amounting to over a billion dollars, is held up though the Israeli Government needs it badly. Why? Not because anyone in the U.S., either in the Government or on Capitol Hill, is opposed to assisting its Israeli allies. Far from it. On the issue of helping Israel, there is virtual unanimity. The trouble is that the entire Foreign Aid Bill, providing for a disbursement of over \$12 billions, is blocked by a determined group of hardline Republicans, headed by the Senator, Mr. Jesse Helms, Chairman of the Senate Foreign Relations Committee, because they want an unequivocal guarantee that no American aid will go to a government or organisation that believes in abortion as a means of family planning.

In America abortion is doubtless a fiercely controversial issue. But it remains unresolved. And yet there is a demand for a blanket ban on aid to nations and institutions which believe that abortion ought to

be a matter of a woman's choice, not of compulsion. The administration is understandably unable to comply with the Republican ukase.

If this instance is somewhat amusing, the second one is grim. Unlike the foreign aid budget, that for intelligence activities has been passed. But only after the White House succumbed to the demand of the standard-bearers of the Republican right — who, ironically, style themselves as "Republican

revolutionaries" — that a provision of \$20 millions be made in it for "destabilising" the Government of Iran, America's designated Enemy Number One. To nobody's surprise, Iran has protested against this vigorously. But no one in Washington seems to care. Through calculated leaks in the media the administration has hinted, rather sanctimoniously, that assassinations are no part of the U.S. activity in relation to Iran ordered by Congress!

Back home in India the making and implementation of foreign policy has not been easy in recent years. However, whatever exists is certainly better and safer than the joys of foreign policy as crafted under the presidential system of the United States.

Two other points need to be made. The first relates to the behaviour of those who have been at the receiving end of the budget impasse. Federal employees without pay cheques are understandably angry. The people at large share their agony and are contemptuous of politicians, both Republicans and Democrats, who are receiving their salaries and perks without any hitch. Many in the employ of the government have said openly that their New Year resolve is to look for a different and more reliable source of livelihood. Small groups of them have demonstrated at Capitol Hill carrying placards demanding that the Congress be 'furloughed'. Other demonstrators have shouted that they would never work on the promise of deferred pay. And so on.

However, there has been no violence or visible unrest. Discontent there is but no social turmoil, at any rate not yet. In India, no matter what the system of government, the laying off of even a small fraction of the vast army of Central Government employees would almost certainly be an invitation to wild upheaval, as much in the streets as in the halls of Parliament.

Secondly, and more importantly, behind America's budgetary impasse, as behind India's search for a quick fix through a systemic change, lies a breakdown of the consensus without which no democracy can function. Both the Indian and American societies are deeply divided and divisions are proving to be intractable. It was not fortuitous that when Mr. Robert Dole, Senate majority leader, tried to push through a Bill to bridge the differences, he was thwarted as much by Democrats in the Senate as by the Republicans in the House.

THE HINDU. 6/1/96



# End this lift-and-snatch policy

The decision of the state government, with the gracious consent of the Centre, to regularise unauthorised cultivation in 41,850 acres of forest land in 19 districts of the state, made front-page news in all the leading newspapers recently (December 13, 1995). Our government is further urging the Centre to extend the cut-off period from April 27, 1978, to 1991 to regulate an additional 10-15 acres of encroachment.

The issue of regularisation of encroachment has been under discussion for the past decade. Foresters have explained the deleterious impact on the environment caused by such a step to the decision-makers. To the argument that the regularisation of such encroachments will benefit the very poor and scheduled castes and tribes, the foresters have already pointed out the danger of powerful vested interests operating under the garb of the have-nots to grab valuable forest wealth.

More than 100 years ago, in 1890, Hugh Cleghorn, conservator of forests, Madras Presidency, said in his excellent document, *Forests and Gardens of South India*, Cleghorn says, "Throughout the Indian empire, large and valuable tracts were exposed to the careless rapacity of the native population, especially unscrupulous contractors and traders who cut and cleared them without reference to ultimate results". Further, "It is imperative in the tropics to preserve the forest where supplies of water and, consequently, of food and other produce are in great measure dependent on the existence of forests in all elevated parts of the country".

On Cleghorn's recommendation, the Maharaja of Mysore banned *kumari* or shifting cultivation, the first in India to do so. Such a step was taken when 60 per cent of the state's area was covered with virgin forest, the area being 80 per cent in the hilly regions.

Today, with only 8 to 10 per cent of virgin forest cover surviving, the government's sang-froid in the matter is very surprising. It is also unfortunate that the ministry of environment has done nothing to deter the state government from its suicidal course though forestry is a subject on the concurrent list.

A look at the ground realities of the government's decision will reveal several unpleasant facts which cannot be ignored.

The encroached 45,000 acres proposed to be regularised do not form one block, but are scattered all over the forest. En-

croachers have chosen sites that are highly productive and the rich biome of these patches has been reduced to low-productive agricultural land. If this continues, the loss to the eco-system will be irretrievable.

A critical social issue to be kept in mind is the loss of common property resource to the landless, particularly women. The common properties, such as minor and district forests, apart from forming the basic biomass, provide important non-wood resources upon which they are solely dependent. By diverting our forests into powerful private hands, we will be depriving the truly poor and the assetless of their only resource base, their renewable ecological capital — the forest.

Given the practical considerations of providing the poor farmer with

a means of livelihood, giving him a carte blanche with the forest land is not the answer. Viable eco-farming proposals and packages encouraging poly- and permaculture can be worked out. We do not have to go far for such an alternative. Nature herself provides a viable package for the farmer. Today, we are going in for the monoculture of a few identified utilisable crops like pepper, ginger and turmeric which constitute less than one per cent of the wild species. To increase productivity, we are depending heavily on pesticides, fungicides and fertilisers.

But if we look at Nature's bounty, we find that monoculture goes against her grain. She provides us with a variety of choices. Ginger and turmeric, being tubers, grow underground. Pepper is a creeper and needs the support and the shade of tall trees. Thus, different lucrative plants can be grown at the same time.

Of late, there is an increased demand for natural dyes, flavours, essences and perfumes. More and more developed countries are banning the sale of azo-dyes, synthetic flavours and perfumes and discouraging products produced by using chemicals in favour of those produced by using natural organic products. We are fortunate in having traditional knowledge systems for the extraction of such dyes, flavours, medicines, perfumes, edible gums, resins and so on. Thus, with intelligent and skillful management of existing habitat and wild species, we can generate valuable produce like tubers, flavours, essences, dyes and spices with very

few inputs, without using toxic fertilisers and biocides and without destroying the forest canopy. The natural forest setting helps maintain the genetic broad spectrum of the species. Ironically, we have lost our monopoly in the pepper market because of the large fungicide and pesticide residues in our pepper consignments. And India boasts of 150 natural, wild varieties of pepper!

The tropical forest has the most bountiful biome, the greatest variety of life. Karnataka is blessed with dramatic physical and biological formations influenced by patterns of rainfall, soil and her natural biological diversity. Economically too, our endemic species such as sandalwood, teakwood, rosewood and a variety of decorative hardwood and semi-hardwoods are very lucrative.

However, a continuous, unbroken ecosystem alone can retain its genetic vigour. In 1890, Cleghorn described the Western Ghats tapestry as "almost unbroken especially in the watershed belt, thinly populated, abounding in wild animals and the hill-tops covered with rich rain-forests". Today, they are almost unrecognisable. More than 90 per cent of these Ghats and the transition belt where these lucrative species of trees grow are fragmented. The genetic flow in the Western Ghats has been disrupted. Many species may vanish for lack of viable pollen. As things stand, more than 90 per cent of the species here are highly cross-pollinated. In our greed to milk the forests of their lucrative produce, we may destroy them forever, leading to the genetic erosion of our biological resources, whereas scientific management will ensure their continued existence and a lucrative source of income.

By regulating encroachments, denuded forest patches will become cancerous spots subjecting the forest habitat to severe biotic pressure and gradually incapacitating the surrounding area. People from all over the world, from all walks of life (including industrialists and economists), are becoming increasingly aware of the need for ecologically sound practices. Countries like Costa Rica, Brazil and South African nations are trying to develop eco-fronts. Billions of dollars are being invested to create carbon sinks to

prevent global warming. India is the homeground for several such traditional safe and sound practices. We have also signed several agreements and attended several conferences, the one at Rio being the latest. But our commitment does not stop with just participating in them. We must learn to honour the spirit of such agreements.

(Yellappa Reddy was secretary-II, ecology and environment, in the state government.)



# What equity linked savings schemes have to offer in 1996

**T**HIRTEEN equity linked savings schemes (ELSS) have been floated so far this year in an effort to tap the market for income-tax saving schemes. Of these, seven are from asset managers which also floated schemes in 1995, while six are from asset managers floating such schemes for the first time.

An attempt is made here to describe the structure of an ELSS scheme, and explain the rationale behind selecting a tax saving scheme to the extent permissible, as opposed to the Public Provident Fund (PPF) or other schemes. Then the schemes on offer are evaluated from the standpoint of investor benefits and services offered. The information for the evaluation is purely that available from the application form, so that the lay investor can also arrive at the same facts through an independent analysis.

## What is an ELSS scheme?

In 1992, the Union Government decided that middle class investors should be encouraged to participate in the equity market. Accordingly it announced the Equity Linked Savings Scheme 1992. Under this scheme, investments of Rs. 500 and above and in multiples thereof, but with a maximum of Rs. 10,000, made by individuals and HUFs, are entitled to a tax rebate at 20 per cent of the investment made. In other words, if the tax liability of an investor were Rs. 3,000, and he invested Rs. 5,000 in an ELSS, 20 per cent of Rs. 5,000, that is, Rs. 1,000, would be reduced from his tax liability, thus bringing it down to Rs. 2,000. This investment would be locked in for a period of three years — thus it could not be sold or pledged; after three years, it could be redeemed or sold in the stock market.

## ELSS v PPF/NSS

The reader is referred to an article by the author in these columns on December 20, 1995 titled 'Why mutual funds are good for you.' In that article, the author has explained the concept of asset allocation. Asset allocation is a process by which an investor weighs the risk-reward ratio of various investments, and creates a basket of investments (assets) that combine liquidity, returns and risks in the mixture of his choice. It was explained how a conservative family would probably stay in fixed deposits, while an aggressive risk taker would tend towards equity shares.

The ELSS is an equity share based instrument. It is mandatory for the asset manager to invest at least 80 per cent of the Fund in equity within six months of the closure of the scheme. Thus, the ELSS scheme is by definition a higher risk-reward investment than PPF or NSS, both of which are fixed interest types. Over a three to five year timeframe, equity based investments normally outperform fixed interest schemes.

The Government has allowed the tax benefit for a maximum of Rs. 10,000 invested in the ELSS scheme out of a total of Rs. 60,000 available under tax saving schemes. (Any amount

can be invested in an ELSS but tax benefit will only accrue for the first Rs. 10,000). This would seem to be a little on the conservative side. It is the author's recommendation that 25 to 50 per cent of one's total tax saving investments should be in ELSS schemes. Age and outlook of a person also determine this ratio. A person saving up for his or her daughter's marriage or for retirement, may like to put 100 per cent in NSS or PPF. A young urban executive may like to put 100 per cent in ELSS schemes.

The equity markets are now in a depressed

state. The equity prices do not reflect the current performance of the companies. Various experts attribute this to the political uncertainty, liquidity crunch and the like. However, one point seems clear — all these are temporary reasons. In six months or one year, the market is set for a major bull run. By investing in an ELSS now — when the market is in a bear phase — you are capturing the low prices, and are in a position to take advantage of the bull run whenever it occurs. (Remember, you have three years of lock-in for a bull run to occur!) In fact, the author would go to the extent of recommending these schemes as pure growth schemes, even if there were no tax benefit. It may be worthwhile to consider investing more than Rs. 10,000 in the schemes, even if the tax benefit is limited to the first Rs. 10,000.

## Features of ELSS

The tax benefit of 20 per cent of the amount invested is a statutory feature, and is obviously common to all such schemes. Similarly, the three year lock-in period is common. A bank or other application collection location in your town is obviously an advantage; otherwise look for DD charges reimbursement or stockinvest facility. Minimum and maximum investment limits are also common across schemes. Having talked about the basic features of the schemes, all of which are known to most investors, let us look at what this year's offerings have done to distinguish themselves.

## Features that distinguish 1996 schemes

Seven of the 13 asset managers had ELSS schemes last year. Of the seven, NAVs of only three were determined. In respect of four others, there was no way an ordinary investor could have determined the NAV of a reasonably recent date. The current year disclosure norms indicated by the four funds whose '95 Fund NAVs could not be determined, seem to be such that '96 Fund NAVs can also not be determined easily.

## Early Bird incentives

Almost every scheme is offering early bird incentives to persuade investors to come in early. Incentives hover around three to four per cent for January, two per cent for February, and one to two per cent for March. All things being equal, go for the best incentive. It makes sense to invest in the last week of January — you will typically get a four per cent incentive for effectively two months advance investment. After the tax benefit at 20 per cent and an incentive of four per cent, the cost of the units will be Rs. 7.60 for par value of Rs. 10, and post issue NAV of Rs. 9.40.

A word of caution, however. Some funds are allowing the investor to deduct the incentive and pay only the balance to the fund. Recent articles appearing in the press have warned that the Tax authorities could possibly allow only the actual cash invested as a deduction, and not the face value of the investment. It is reliably understood that SEBI is also looking into the matter. While the incentive amounts involved are not much, who likes to hear from the taxman! Do check this out with your auditor or consultant before investing in those funds. Many funds are however paying the commission after allotment by separate cheque. This should not cause any problem. (See columns 3 and 4 of Table)

## Stockinvest

Alliance Capital has allowed, for the first time, use of stockinvest as a paying instrument. This is

very investor friendly. Apart from the saving in DD charges to investor/fund, the investor will get up to three months stockinvest interest (typically 12 per cent per annum). This translates to a hidden benefit of three per cent which can be viewed as a hidden incentive. If you apply using stockinvest in early January, the effective cost will further reduce to Rs. 7.30 against the par value of Rs. 10 and post issue NAV of Rs. 9.40. (See col 5 of Table).

## Exit route after three years

The exit route and price after three years is obviously very important. This is also the one area in which there are substantial differences between funds. Some funds redeem at NAV, some at NAV — five per cent, and some are delightfully vague as to what price will be offered. In your own interest, you must definitely ensure that the repurchase price is known, and is as close to the NAV as possible. Similarly, listing should be in a stock exchange which is accessible to you. Most funds propose OTCEI or NSE, both of which are national and offer quick-settlement; however, some plan to list only in specific regional exchanges. Perhaps they view their market as purely regional. Make sure that you have a convenient location to sell the units after three years. (See cols 7 and 8 of Table).

## Account statement v certificates

Most of the new funds are offering account statements on allotment, convertible into certificates after three years. This seems to be the better option, as an account statement is not a security, and can be replaced upon request without detailed procedures. In effect, the fund is safekeeping your certificates for you while they are locked-in. In three years, when the units become tradeable, certificates will be issued in market lots, to enable you to sell them if you desire. (See col 9 of Table)

## Tie-ups

Many funds are offering tie-ups with third parties, that offer benefits to their investors. Check if the tie-ups are relevant to you. For example, if last year's ELSS investment already covers you for insurance, another insurance cover this year may not be meaningful. (See col 12 of Table).

## Disclosures

This criterion really distinguishes the investor friendly funds from the others. Eight of 13 funds reviewed do not make any mention of portfolio disclosure at all. Three others plan to disclose part of the portfolio at intervals ranging from quarterly to annual. Alliance Capital is the only fund that plans to disclose the entire portfolio quarterly. In the case of two funds, it is not clear at what intervals the NAV/Repurchase price will be announced; in the case of seven others, the price will be declared monthly or weekly. Kothari Pioneer and Alliance Capital plan to declare a daily NAV. (See col. 11 of Table).

## Post-issue investor service

Most funds offer investor service through investor service centres on a continuing basis. If you are in a town with an investor service centre, it helps in subsequent interaction with the fund. (See col. 10 of Table)

As to performance, it is the author's view that the dismal performance of all mutual funds over the last 12 months has proven that no fund has a particular advantage over others in terms of quality of funds management.



A comparison of ELSS schemes in 1996

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12		
Scheme	NAV of 1995 Tax Scheme	January	Early Bird Incentive February	Incentive Paid by	Stockinvest allowed	Best cost after incen	Listing after 3 years	Repurch. pri after 3 year	Account St. or Cert.	Post Issue ISCs	NAV	Disclosures Portfolio	Other Investor Benefits
20th Century Centron	No Scheme	0.035	0.025	0.020	Uprfront dedn.	No	7.65	BSE/CSE	at NAV	Acct. St.	14 cities	Weekly	Half Yrly/ Loyalty bonus for existing in-vestors
Tax Saver '96 Alliance Tax relief '96	No Scheme	3.5%-4.0%	2.5%-3.0%	1.75%-2.25%	By Cheque	Yes	7.30	OTCEI/NSE/ others	at NAV	Acct. St.	16 cities	Daily	Qty/Complete "Countrywide" consumer goods loan with fee reductions/ discounts on Phillips products
Bank of Baroda ELSS '96	Not Known	0.030	0.025	0.020	Uprfront dedn.	No	7.70	BSE/NSE	Not Clear	Jumbo Cert.	None	Quarterly	Not Disclosed
IDBI TAX I-NIT '96	No Scheme	0.025	1.5% - 2.0%	1.0% - 1.5%	Uprfront dedn.	No	7.75	Major SEs	at NAV	Certificate	None	Monthly	Not Disclosed
Jardine Fleming Personal	No Scheme	0.035	0.025	0.020	Uprfront dedn.	No	7.65	As required	at NAV	Acct. St.	7 cities	Weekly	Not Disclosed
Tax Saver '96 JM Mutual Fund	No Scheme	9.02/4.1.96	0.030	0.020	Application Forms not available as of going to press	No	7.70	BSE/MSE	at NAV	Acct. St.	14 cities	Daily	Half Yrly/ Top 20 only
Kotahat Pioneer Taxshield '96	8.95/31.12.95	0.030	0.020	0.015	Uprfront dedn.	No	7.70	OTCEI/NSE	NAV - 5%	Certificate	None	SEBI Regs.	Not Disclosed
LIC Dhan Tax Saver 1996	Not Known	2.5% - 3.0%	1.75 - 2.0%	1.0% till 15/3	By Cheque	No	7.70	DSE/BSE	Not Clear	Acct. St.	7 cities	Not Known	Not Disclosed
PNB Equity Growth Fund '96	8.09/15.12.95	0.030	0.020	0.013	Uprfront dedn.	No	7.70	Major SEs	Not Clear	Certificate	None	Not Known	Not Disclosed
SBI Magnum ELSS 1996	Not Known	0.035	0.025	0.020	By Cheque	No	7.65	NSE	NAV - 5%	Jumbo Cert.	None	Half Yearly	Half Yearly
Shriram Guardian '96	No Scheme	0.033	0.023	0.015	Uprfront dedn.	No	7.67	OTCEI/NSE	NAV - 5%	Acct. St.	7 cities	Monthly	Not Disclosed
TATA Tax Saving Fund UTI Master Equity Plan 1996	Not Known	0.025	0.015	Nil	Uprfront dedn.	No	7.75	OTCEI/NSE	NAV - 5%	Certificate	Many cities	Monthly	Annual
													None



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STATES







Laxity in setting up women's panel flayed

## Goan bodies decide to formulate own policy

DH News Service

PANAJI, Jan 7

In a bid to counter the Goa government's lethargy on drafting the state policy on women and in setting up the women's commission, women's organisations here have initiated discussions to formulate a policy of their own.

Ms Sabina Martins, who represented Goa's non-governmental organisations at the Beijing Women's World Conference, stated that the women's collective, *Bailancho Saad*, along with the Goa University's Centre for Women's Studies and other women's organisations in the state have taken the initiative to outline a policy for women's development.

Speaking at a day-long symposium held at the Goa University on 'Issues facing Indian women today', Ms Martins pointed out that the government has held just one meeting of women's representatives, where suggestions were sought on the spot for inclusion in the state's draft policy on women.

Similarly, the bill introduced last year in the state legislative assembly recommending the constitution of a women's commission, as per the central government's guidelines, is still being studied by a house committee. So far only seven states in the country have set up a women's commission. However, the commissions being

government-appointed bodies, lack continuity and are deprived of adequate resources needed to implement schemes and policies for women, observed Dr Neelam Gorhe of the Pune-based *Stree Aadhar Kendra*, who was formerly a member of Maharashtra's state commission for women.

**LACK SENSITIVITY:** Participants also pointed out that the officials and appointees on commissions fail to grasp the essence of women's policies and lack a gender-sensitive approach that adversely affects the implementation of these policies, which in themselves are not comprehensive in the first place.

An instance cited to highlight official disinterest in women's welfare was the constitution of a special cell for dealing with crimes against women in Goa. Though formally set up last year the cell is yet to be given the powers of a police station; nor have the requisite personnel been posted there, which makes the cell an ineffective redressal body.

Women's welfare programmes, which are given the least importance in administrative functioning presently, should be incorporated in the general policy of a state, since women constitute nearly half of the country's population and their role in developmental activities has to be adequately spelt out, it was felt.

Deccan Herald

Jan. 7. 1996



From P. K. Roy

LUCKNOW:

The violence that marked the last day of the year in the industrial metropolis, Kanpur, underlined the depth of Muslim anguish in Uttar Pradesh against the Congress(I) and its top leadership. It is apparent that the spate of concessions and other moves to assuage the ruffled feelings of the Muslims, with the approaching elections in view, would make little dent on the psyche of the community, particularly the hardliners, who are out to pour discomfiture on the Congress(I) in return, exposing it to ridicule. The Kanpur episode has also exposed the strong communal under-currents blowing in the largest city of Uttar Pradesh and the failure of the administration to draw the desired lessons from past experience.

The occasion could not be faulted. The Union Minister for Communication, Mr. Sukh Ram was to release a postal stamp in memory of the Muslim theologian, Ali Hazrat, founder of the Berelvi school of Islamic persuasion. A big function was arranged for the occasion in the Halim Inter College premises by a Muslim organisation. The fact that Congress(I) leaders such as the Union Home Minister, Mr. S. B. Chavan, were billed to attend the public meeting, besides Mr. Sukh Ram and Mr. Ram Lal Rahi, in total exclusion of leaders of other political parties indicates that the entire show had the blessings of the Congress(I), which sought to draw political mileage. The venue chosen was close to localities largely inhabited by Muslims and which have been scenes of communal conflagration in the past. What followed could have been gauged as feelings against the conference were being worked

up over a period of time, but the administration balked under political pressure and has now exposed itself to ridicule.

Police had to open fire after lathi-charge failed to quell violence and arson, mostly directed against it and the administration. Most of those who were able to disrupt the conference were allegedly led by supporters of the Indian National League. Bombs and brickbats were freely used and even gun shots were heard. The Union Home Minister had to cancel his visit to the city and Mr. Sukh Ram and Mr. Rahi remained confined to the Circuit House. It was a loss of face for the Congress(I) leaders and the organisers, who

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sought to project that party as one with a soft corner for the Muslims.

The Kanpur incident was reminiscent of a similar one that took place in Bareilly on July 27, when the Prime Minister, Mr. P. V. Narasimha Rao was not allowed to lay 'Chadar' at the tomb of Ali Hazrat. The irate Muslims forced the Prime Minister to remain confined to the Circuit House. On both occasions Mr. Rao came to be symbolised as anti-Muslim who was responsible for the demolition of the Babri Mosque in Ayodhya. The latest incident came the wake of moves like orders for payment of salaries to imams of mosques under the Waqf Boards and substantial increase in the quota of Haj pilgrims. In Uttar Pradesh during the Governor's rule a fresh concession is being given. Muslim candidates with only knowledge of Urdu can appear for written

tests for recruitment in the State para military organisation, PAC.

Over the years Kanpur has come to emerge as a hotbed of minority militancy, causing nightmares to the administration. Many of the congested localities are studiously shunned by the police for patrolling and have become safe havens for criminals, drug mafias and even militants. It is pretty easy for the trouble-shooters to paralyse normal life in large parts of the city. The episode in question had also its genesis in clashes between the Berelvis and Deobandis, the two Islamic schools of the north, with their own following. A dispute over the appointment of a Shahr Kazl added fuel to fire. Several interests joined hands, with a common factor of hatred against the Centre. The posting of PAC around the venue was another irritant for the Muslims. The violence abated after the PAC was withdrawn. The organisers blame the district administration for inadequate security arrangements around the venue. The State Government has ordered an administrative enquiry by the Divisional Commissioner into the episode. Some observers see in the episode the hand of interests keen to ensure that the Muslims vote does not shift to the Congress(I) in any manner.

Both the Kanpur and earlier Bareilly episodes must convince the Congress(I) leaders that moves to court the Muslim vote bank with concessions could be counter-productive, particularly in Uttar Pradesh. Not only do such ugly episodes send down wrong signals all over, they also provide grist to feelings against minorityism. But, the party is now desperate and whether it can draw the necessary lessons remains to be seen.

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From Vinay Kumar

NEW DELHI:

The devastating explosion near the wholesale market of Sadar Bazar in the heart of the capital this past Wednesday in which seven people were killed demonstrates how vulnerable the city has become. Anti-national forces are able to strike with effortless ease, making a mockery of all security arrangements.

Innocent people and valuable public property have become casualties of terrorist attacks. Barely 55 days ago, the posh Connaught Place shopping mall witnessed a powerful bomb blast, injuring 40 people. In a routine manner, a totally unknown militant outfit, Jammu and Kashmir Islamic Front, claimed that it was responsible for the blast. That case is still not solved and the culprits remain unbooked. Apparently, encouraged by the failure of the security agencies and law enforcing machinery, the same group could strike with such impunity in yet another crowded and busy shopping area of the capital. The latest strike, as it comes in early January when the country is preparing to celebrate Republic Day with the main parade and cultural pageantry slated to roll out at the majestic Raj Path, has created a sense of insecurity among the people.

Probably, January and August remain testing months for the Delhi police on account of Republic Day and Independence Day celebrations. These two months are specially chosen by the militant outfits to demonstrate their capability to outwit the security set-up. If the disruptive forces succeed, it only is the manifestation of the weaknesses in the intelligence gathering network. The Government has time and again as-

serted that it has proof of the involvement of Pakistan's Inter-Services Intelligence in such activities. But, it would be shameful to admit that the "proxy war" by Pakistan could be taken into the national capital by penetrating the all-pervasive security umbrella. The Sadar Bazar blast was the worst since 1993 when eight people died in a powerful explosion outside the Indian Youth Congress(I) office, in close proximity to Parliament House.

The main objective behind all such activities has been to make a big impact in the national capital, cause death and destruction and thus create panic and immobilise people. The police

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in Delhi have announced a state of red alert a number of times in the recent past, but so far they seem to have no clue as to how bombs and explosives find their way into the city.

Though there cannot be a foolproof system against acts of terrorism which banks upon factors like vulnerability of the innocent people and sneak attacks, the general public can be of more help by alerting the police about suspicious persons and unclaimed objects.

While all major political parties have condemned the explosion and expressed concern over the toll of human lives, the Delhi Chief Minister, Mr. Madan Lal Khurana, wrote a letter to the Union Home Minister, Mr. S. B. Chavan, demanding that the Centre's remote control on law and order must go. Pointing out that the BJP has always stood for grant of full Statehood to Delhi, Mr. Khurana said that instructions should be given to the Delhi police to regularly consult

the elected Government in matters concerning law and order. The police, land and public order are the reserve subjects under the jurisdiction of the Centre. The Chief Minister has also demanded that visas and other documents of Pakistani nationals staying in Delhi should be verified and legal action taken against those found overstaying in the city. He has pointed out that during the past two years, 10 incidents of bomb explosions had rocked Delhi. In fact, the capital witnessed a spurt in crime in the year just gone by, registering a rise of 24 per cent.

The Sadar Bazar explosion saw a concerned Union Home Ministry convening a series of high-level meetings with the Delhi police top brass, intelligence and other security agencies. The Minister of State for Home, Syed Sibte Razi, visited the scene of the explosion and spoke to a large number of traders. Problems of congestion, traffic jams and unauthorised parking came up for discussion. While the Delhi police maintained stoic silence over the arrest of two suspected Kashmiri militants a day after the explosion, it was Mr. Razi who broke the news. The Minister, along with top officials, reviewed the law and order situation in the city, with particular reference to the fast approaching Republic Day celebrations.

The security agencies, for the time being, will have to keep their fingers crossed till the Republic Day celebrations are over. The vigil has increased with the agencies being put on maximum alert. Without the cooperation of the public in general, the fight against terrorism cannot be carried on, concedes a senior police officer, adding that efforts of the security agencies alone would never suffice. TJ



# A blow to green cover

From Lalit Shastri

BHOPAL:

Confronted with the massive demand for fuelwood, the Madhya Pradesh Government is now thinking in terms of relaxing the rules and offering a pre-election sop to the people in the rural areas by allowing them to meet their requirement by cutting certain species of fruit-bearing trees as well as timber falling outside Government land or notified forest areas.

The Forest Department officials have been reluctant to make any categorical statement on the Government's move to tide over the so-called fuelwood crisis. While asserting that the Forest Department is not concerned with the felling of trees outside the forest area since the issue comes within the jurisdiction of the Revenue Department, they have however pointed out that the Forest Department will be involved in the task of issuing the transit pass for the removal of the felled trees.

According to the Principal Chief Conservator of Forests, Mr. D. P. Singh, ten species of trees have been identified and the panchayats have been given the powers to give permission for cutting these trees. Five nationalised species of timber and bamboo in 17 districts would be dealt with by the Forest Department. It would not be required to issue the transit pass for wood beyond these 15 species and bamboo.

The State Minister for Forests, Mr. Shiv Nataraj, has justified the move to relax the rules for cutting fruit-bearing trees, like mango and jamun, by saying that this would encourage the common people to grow new fruit-bearing trees in place of the old ones which have been standing for "several generations".

The Government's latest move would threaten whatever green cover is left outside the forest land and would also provide an alibi for illicitly felled timber of the forest area to get regularised by showing it as having been felled in private land. This presents a bleak scenario because in terms of forest cover the situation is already touching alarming levels in Madhya Pradesh. On paper, nearly 31.5 per cent of the total area of the State is under forest cover. However on the

## Madhya Pradesh

ground level, most of this area is degraded, over-exploited and systematically encroached. It is a matter of serious concern that a vast area shown under forest cover is just the land which is under the administrative control of the Forest Department and does not necessarily indicate the presence of tree cover. The situation is aggravated by the destruction of forests through shifting cultivation, their burning for getting better tendu leaves or improved sal seed collection or through organised fires for destroying evidence of illicit felling or lack of performance in State-sponsored plantations.

Official statistics regarding forest cover have been given the lie by the National Remote Sensing Agency survey, which had 15 years ago clearly pointed out that only about 20 per cent area in Madhya Pradesh was under forest cover, which was also not evenly distributed throughout the State. Madhya Pradesh, with a cattle population of about 40 millions is facing ever increasing shortage of pasture area which has come down to about 6.3 per cent of land use. In

addition, the cattle from the neighbouring States also come here as those States are still more deficient in green cover. The misfortune is further compounded as most of the pasture land is encroached by the villagers for purposes other than grazing.

Due to excessive pressure on forests, about 50 per cent of the forest land in the State has become degraded or depleted and the situation is getting even more alarming with the passage of time due to the State patronage to those who encroach on forest land. The problem gets further aggravated since people are also encouraged to cut forests in the absence of adequate preventive or punitive action against those who indulge in illicit felling.

Fuelwood extraction is one of the major causes of the rapid depletion of forests. What adds to the fuelwood problem on the one side is the fact that the forests in MP are not uniformly distributed all over the State and on the other the Wastelands Development Programme, which was launched in 1985 to meet the goal of checking land degradation, putting wastelands to sustainable use by increasing biomass, fuelwood, fodder and timber availability, has shown dismal results. Consequently, since successive Governments have failed to provide any viable alternative to fuelwood, for example, coal or bio-gas energy, the massive requirement of fuelwood continues to be met from the already dwindling forests. The Government is now thinking in terms of even permitting the use of precious timber in the name of fuelwood. What looks like an election time bonanza, it is being done at the cost of ecology, at the cost of the already reduced forest cover.

# Distortions in medicare

From Mahesh Vijapurkar

BOMBAY:

For over a month, most of the big hospitals in Maharashtra remained in a state of total collapse, with resident doctors staying away from work seeking better stipend, and yet, curiously enough, there was no hue and cry. Even the Government remained quite placid. There was a public interest litigation in the Bombay High Court but even that did not enthuse the Government to find a quick solution to what was actually a crisis in public health care administration. Not even a contingency plan emerged to cope with it.

Apparently this was so because the State has been witness, often enough in the past, to strikes by resident doctors and the functioning of hospitals, never a very illustrious example despite a grand reputation — only in comparison to other hospitals outside the metropolis — has been paralysed. This apathy, of the strikers towards patients, demanding a better stipend, and of the Government which hums and haws *ad infinitum* to settle the issue to see it crop up once again, has perhaps become somewhat of a routine.

What has been missing is the accountability of the publicly funded institutions towards the people, especially to the needy who seek help from them. There is a general cry in the wilderness by the affected with none, however, trying to make it loud enough to be heard well so that some correctives are taken in the long term. A citizens' panel, with strong motivation to make sure that public plight is not ignored so callously, is required, but a city, which once saw public spirited citizens to step in to create facilities

seems to have grown uncaring and left everything into the hands of petty politicians and bureaucrats. If, for instance in Bombay, the endowments of the citizens of yore such as Dr. A. L. Nair, Dadabhai Naoroji, Sir Jamsehtji Jejeebhoy and Sir David Sassoon, came forward to meet the health care needs of a growing city, today that spirit is lacking.

In reality, Bombay has a better network of medicare institutions, most of them run by the

## Maharashtra

Municipal Corporation of Greater Bombay, with some effort supplemented by the State Government, than what many other cities claiming to be well administered can boast of. Some of them are actually teaching hospitals which treat patients from far flung corners of the State though they may not be city residents or even pay any taxes. And yet, they suffer from an inherent problem of management: they have the priorities quite askew.

Perhaps that is a continuing facet of that general apathy and unwillingness to redesign the system of medicare. There is higher allocation in rupee terms, virtually every year, for its health budget but in terms of percentage of expanding total budget of the civic body, the largest in the country running the biggest city, it has been declining.

A survey by a Centre for Enquiry into Health and Allied Themes shows how it dropped from 34.46 per cent in 1960-61 to 25.84 per cent in a decade and a half later and in 1994, dropped to a mere 23.92 per cent.

Quite a large slice of finances set aside for the health budget of the MCGB (Rs. 230 crores), is earmarked for the city hospitals and it is quite substantial in itself which is double of what was budgeted for about four years ago and does not take into account the separate, but perhaps indifferently spent Rs. 50 crores every year by the State Government for its other health utilities as distinct from those set up and operated by the civic body.

A lion's share of the expenditure on medicare goes on the three teaching hospitals: the Nair Hospital, The Lokmanya Tilak Hospital with about 1,400 beds and the King Edward Memorial Hospital with a bed strength of 1,800 and between all the civic hospitals, close to two million people are treated for out-patient regimen. Nearly nine million patients are treated annually by the 159 dispensaries run by the civic authorities.

While that in itself should be impressive, what shows the distortion is the spending pattern on all these institutions.

Nearly Rs. 6 out of every Rs. 10 spent on these goes towards "establishment expenses" with a mere Rs. 1.40 towards medicines dispensed in public hospitals, implying that there is substantial spending by the patients, who come with the hope of getting inexpensive treatment, as they are given prescriptions to go and buy the medicines in a drug store.

Those who go to these hospitals are the poor who cannot find it easy to spend on buying medicines listed in the prescriptions. The distortion is more pronounced in maternity hospitals and dispensaries. Actually only half of the earlier quantity of medicines are being provided to the dispensaries.



# The unkept promise

From K. Balchand

PATNA:

For the Chief Minister, Mr. Lallu Prasad Yadav, the year 1995 was a tumultuous one, starting with a dramatic victory at the hustings, which he fought with his back to the wall, and ending with what his minions regard as a successful NRI meet. Ironically, nobody reminded the Chief Minister that he failed to keep his primary poll promise to provide to families below the poverty line dhotis and sarees at a nominal rate, entailing a huge subsidy burden.

In the next few months he might have to do a lot of explaining to the "poor" when he approaches them willy-nilly during the coming Lok Sabha elections. The situation for him would have been much more uncomfortable had the panchayat elections been held. Despite the court directive to hold the panchayat elections later this month, the State Election Commission eventually threw its towel in alleging that it had not received the necessary support from the State Government in completing the preparations for the actual poll.

Possibly, the panchayat elections may not have reflected the resentment of the people over the failure of the Janata Dal Government to fulfil its poll promises. Why? Because this poll would be on a non-party basis. The fact remains that the Opposition parties might have kicked up a big row over it.

Undoubtedly, Mr. Yadav is aware of the crucial sentimental attachment of the people to this basic need that he had himself pinpointed. In fact it was perceived as more crucial than the 1989 poll pronouncement concerning the waiver of loans to farmers. It is estimated that there

are 66 lakh families below the poverty line in Bihar. This figure must have caused convulsions in the Finance Department.

The predicament is understandable. If each of these 66 lakh families were to be given a pair of dhotis and sarees, it would work out to 1.32 crore dhotis plus as many sarees. Even though during the poll campaign it was announced that these would be woven by the weavers to provide them employment, the Janata Dal Government, after returning to power, issued a national tender for the supply of these two items of specified quality, matching with one made in the handloom sector. The Government did so on the

## Bihar

ground that it wanted these supplies at the earliest and that the weavers would not be able to cope with such a huge order.

The State Government's cup of misery was full as none of the lead firms in the textile industry responded. Did they lack confidence in the State Government and its creditworthiness? How else could one explain the failure of any of the big guns not wanting to mop up a whopping amount of Rs. 250 crores (estimated for producing the coarse material). The second line groups did make a bid. But, none of these had the capacity to supply the whole order on their own. The State Government lost a lot of time in realising the futility of this exercise.

Then, somehow, there was a feeling that the sarees manufactured as per the specification would be too coarse for the women to wear. So it revised its policy and decided to provide nylon

and polyester sarees to the 66 lakh women below the poverty line. So, the decision to split the tenders. The dhotis were to be purchased at the rate of Rs. 65 each and sarees in the range of Rs. 80 to Rs. 90. The other major decision that was taken was to have the dhotis made in the cooperative handloom sector. Perhaps that was aimed at mollifying the weavers in view of the coming Lok Sabha elections. Cooperatives from other States are also to be invited.

The poor would be expected to pay Rs. 15 for each of the two dhotis that would be provided to them and as much for the each of the two sarees. Thus the subsidy is estimated to be between 77 and 83 per cent. These would be provided annually.

The Government is, however, still to issue the fresh tenders, giving at least three weeks for submission of bids, and another four weeks to finalise it. And if the National Textile Corporation (NTC) bags the contract for sarees, it would require six weeks to get the inputs and four months to make the supply. But the terms of the NTC are said to be rather "harsh" for the fund-starved State. In any case it would take no less than another six months for the State Government to keep its promise, i.e. if it could manage to distribute at least one lakh sarees and dhotis every day continuously for four months.

One of the questions being asked is whether the State Government deliberately delayed the whole exercise to buy time and also to prevent the families from buying twice in the same year as, after all, those below the poverty line could not be expected to fork out Rs. 120 to buy four dhotis and as many sarees that accrue against their name in 1995 and 1996.

# Row over medical seats

From Manas Dasgupta

AHMEDABAD:

The Gujarat Government seems to be heading towards yet another direct confrontation with the Medical Council of India even as its open defiance of the Supreme Court directive on the implementation of the reservation quota for the backward classes has cast a shadow over medical education in the State.

Though the State Government in principle decided to raise the reservation quota for the socially and educationally backward classes from 10 per cent to 27 per cent in January 1994, it was implemented in the post-graduate medical courses for the first time this year.

The first post-graduate medical college in the State to implement the hiked quota was the Baroda Medical College where the interviews for admission for 25 per cent of the 60 post-graduate seats were completed last week. Emboldened by the MCI's rather lenient view about the creation of supernumerary seats in the under-graduate medical courses, the Baroda Medical College has created six such seats in the PG courses flouting the Council's norms.

It was during the late Chimanbhai Patel's tenure that the State Government had decided to create supernumerary seats in the medical and engineering colleges against the reservation quota to appease the students coming in the open merit list. The decision was taken in the light of the anti-reservation agitations by the upper caste students twice in the past when the Government first introduced the 10 per cent reservation for the SEBCs and again sought to raise it to 28 per cent during the tenure of Mr. Madhavsingh Solanki.

At the under-graduate level, the Government

sought to neutralise the supernumerary seats by starting two new medical colleges at Rajkot and Bhavnagar and took steps to secure MCI's clearance for regularising the additional seats in the existing colleges. It, however, had to create very few supernumerary seats and the MCI after initial resistance gave in and granted a conditional one-term recognition to the additional seats last year.

But the MCI is conscious about maintaining the standard of the specialised courses and has adopted strict teacher-student ratio for the PG medical classes. It has made prior clearance by the Council obligatory for any additional seat in

## Gujarat

the PG courses.

The State Government had been fighting hard for recognition to the additional 100 seats in Ahmedabad, Baroda and Surat Medical Colleges created by it unilaterally three years ago without the consent of the Council. While it had fulfilled most other conditions for recognition, the acute shortage of qualified medical teachers was the biggest bottleneck.

It required a lot of manipulation to secure conditional recognition for the additional seats shifting teachers from one college to another during the time of MCI inspections and appointing retired teachers, which also is against the Council rules, but no such laxity is allowed in the PG courses where the Council insists on strict adherence to one teacher-one student ratio. With the State Government facing shortage even with the existing number of PG seats, the

creation of supernumerary seats against the reservation quota for the backward classes will become an additional problem.

Like in Baroda, problem will arise in the medical colleges at Ahmedabad, Jamnagar and Surat where the admission process for the 75 per cent of the PG seats is due to begin next week. Under the revised reservation policy, the government would have to provide 71 seats in the reserved quota in the Ahmedabad Medical College alone and would have to create that many supernumerary seats to keep the non-reserved category of admission-seekers in humour. Its efforts in the past to lure qualified teachers from other States having failed so far, it is to be seen how it maintains the balance between the backward and the upper caste students.

The State Government has also flouted the Supreme Court's directive on admission to the backward class students in private medical and engineering colleges. The court had permitted a maximum of 50 per cent reservation for all categories of students on condition that the admission to the remaining 50 per cent seats would be strictly on merit, whether paid or free seats.

The condition was not followed in the private trust-run Pramukhswami Medical College in Karamsad. It was allowed to set aside 12 of the total 100 seats for admission for NRI students at a premium of \$ 15,000 per seat on condition that the remaining 38 per cent open merit seats should be converted into free seats. Having failed to attract NRI students, the college was later permitted to virtually auction the seats to the highest bidders and could fill in four of the 12 seats. The other eight seats went abegging in the absence of enough takers at the cost of the open merit students.



# Kashmir mourns militant's death, violence kills four

BY OUR CORRESPONDENT

Srinagar, Jan. 12: Life in Kashmir remained crippled as a one-day strike was observed to mourn the death of top Kashmiri militant Sajjad Ahmad Keno. Security forces in the meantime, continued search operations across the state to arrest militants.

Shops, schools and entire businesses in the capital Srinagar and other parts of Kashmir remained closed on Friday in view of the strike called by Kashmir's Hurriyat Conference to mourn the death of Keno, "chief commander" of the Jammu and Kashmir Islamic Front, who was killed in an encounter with the Kashmir police on January 8 in Srinagar.

Hurriyat leaders charged that Keno was summarily executed. The police denied the same as "false and baseless." Sajad's Islamic Front has owned up to the two recent bomb blasts in New Delhi. He was wanted by security forces in many other militancy related cases.

The security forces continued with their combing operations across the valley to recover arms, the police said here on Friday. Many people were pulled up as suspects as operations continued.

Meanwhile, four people were killed in militancy-related incidents since Thursday night, the police said. Kashmiri militants shot dead a former National Conference worker in Vurabagh hamlet in the southern Pulwama district overnight, the police said.

The deceased, Abdul Rehman Bhat, was the village head and was previously associated with the National Conference which held its first workers' convention in the past six years in Srinagar on January 10.

No group has owned up to the killing so far. In Duroo, Anantnag, the police said militants tried to abduct a National Conference worker, Mr Ghulam Hassan Bhat on Thursday night. But the inmates raised an alarm with the help of their neighbours, resulting in their escape from the house.

## UP promotes a police officer who fled to Pak

BY AMITA VERMA

Lucknow, Jan. 12: The Uttar Pradesh government has not only reinstated but also promoted a senior police officer who had "absconded and stayed in Pakistan" for over five years without informing the state government.

Investigations by *The Asian Age* reveal that the officer, belonging to the Provincial Police Services, suddenly left the country in 1967 without asking for leave. The officer, who is believed to have had marital problems during that period, reportedly went across to Pakistan and stayed there till 1972.

A senior official of the state home department said the officer's whereabouts in Pakistan were not known during this period, "though there was proof of his presence there during the 1971 war." The officer returned towards the end of 1972 and sought permission to rejoin service. The official said that the then chief minister of Uttar Pradesh, H.N. Bahuguna, clearly wrote on the file that "an officer who had stayed in Pakistan for such a long duration — and that, too, during war period — could not be trusted in the Indian police services." Thereafter, the officer's services were terminated and no amount of persuasion could force Vir Bahadur Singh and Mr N.D. Tiwari — the subsequent state chief ministers — to reconsider the case.

After 1989, when Mr Mulayam Singh Yadav took over as chief minister, the officer in question approached him through some political friends. Mr Yadav sought the opinion of home department officials who refused to agree to his reinstatement.

Mr Yadav, however, overruled their objection and ordered reinstatement of the police officer without deducting even any service benefits. The PPS cadre officer was promoted to IPS cadre when Mr Yadav returned to power in 1993.

## UP government's decision on rally is 'undemocratic'

Lucknow, Jan. 12: General secretary of Samajwadi Party Beni Prasad Verma and Uttar Pradesh party chief Ram Saran Dass on Friday, termed as "undemocratic," the state government's decision to declare the party's January 17 Raj Bhavan demonstration programme as "illegal."

Talking to reporters here, Mr Verma and Mr Dass said the Samajwadi Party was a political organisation and it had the right to hold demonstrations, taking out rallies and staging protest.

"Any ban on our political activities is undemocratic and we would violate it," they asserted. Reaffirming their determination to go ahead with the party's declared programme, as per schedule, "against all odds," the Samajwadi Party leaders charged the state and district administrations with harassing and detaining the party workers all over the state.

Mr Verma and Mr Dass also charged the state governor of misusing "his constitutional powers and behaving as a Congress activist." (PTI)

## TN Congress firm on poll alliance with MGR-front

Madras, Jan. 12: The Tamil Nadu Congress chief, Mr Kumari Anandan, on Friday said the Congress in Tamil Nadu was of the firm view that the party, along with its allies including the MGR-front comprising loyalists of the late chief minister M.G. Ramachandran, alone could provide a good alternative government to the AIADMK.

Mr Anandan, who along with senior party leader, Mr G.K. Moopanar, met Congress president P.V. Narasimha Rao in Delhi recently, told reporters here that Mr Rao had been apprised of the late party unit's stand and added that he was hopeful that the high command would fulfill the wish of the party's rank and file that the Congress should not revive its ties with the AIADMK but lead a united front in the state.

Superstar Rajnikanth had also expressed his wish that the Congress and the MGR-front should fight the next general elections together, he said.

When Mr Moopanar told Mr Rao that he had welcomed as a "sweet message" the recent announcement of the Tamil Nadu chief minister and AIADMK general secretary, Ms Jayalalitha, on the floor of the state Assembly that her party would go it alone in the next general elections, the Congress president was beaming, Mr Anandan said. Mr Anandan said the TNCC (I) had already made up its mind on the alliance issue but it was for the high command to make an announcement on the issue.

However, the TNCC (I) would go ahead with pursuing the present political line, he said adding the Congress (I) leaders would participate in the functions organised by former AIADMK ministers S. Thirunavukkarasu and R.M. Veerappan, to celebrate the 80th birth anniversary of MGR.

He said he would welcome Mr S. Thirunavukkarasu's suggestion that Dr Subramanian Swamy, could not be part of the front. (PTI)

ASIAN AGE

CALCUTTA JAN. 12/96



Experts' team leaves for Delhi

# Tamil Nadu denies Karnataka charge

From Our Special Correspondent

MADRAS, Jan. 6.

The Tamil Nadu Chief Secretary, Mr. N. Haribaskar today denied that the Tamil Nadu Government was trying to project an unrealistic picture to the expert committee on the Cauvery issue by not accommodating a representative of Karnataka in the team when it made an on-the-spot assessment of the crop condition in the State.

Asked about the complaint of the Karnataka Chief Minister, Mr. H. D. Deve Gowda alleging refusal by Tamil Nadu to allow the Karnataka representative to accompany the expert panel, Mr. Haribaskar explained to pressmen this evening that a six-seater helicopter was arranged for the three-member expert team to visit the delta and the irrigation systems in the State in the last two days. Besides the three team members, the Chief Engineer of the Central Water Commission was also accommodated at the instance of the members. In addition, three senior officers of the State had to go along with them for explaining the areas and other details required by the team members. As there was already one person in excess of the capacity, the Karnataka representative could not be accommodated in the helicopter, he said. "There was no design or motive in it", he asserted.

"In fact we are not deputing any official to go along with the team (members) when they visit Karnataka because we believe the neighbouring State," Mr. Haribaskar said.

The Chief Secretary said that by and large the team was impressed that the standing crop required water without any delay. The wettings required ranged between two and seven in different areas.

The team, which travelled a total of 430 km by car in the delta, saw for itself the withering crops and the cracked fields in the coastal districts. There was spontaneous response from the delta farmers, and men and women turned up in large numbers to tell their tales of woe. On a single day farmers, people's representatives and farmers' organisations presented nearly 200 petitions explaining the dire situation in detail. There was total transparency by the State Gov-

ernment officials in giving whatever details the team wanted and the documentation was well structured.

Mr. R. C. Panda, Secretary, Agriculture explained that even the 6 tmcft of water now released would sustain irrigation only for nine days at the rate of 9,000 cusecs per day. So the State had impressed on the team the need for release of the remaining 5 tmcft without delay.

## Team calls on CM

After a wrap-up session with the State Government officials, the team members called on the Chief Minister, Ms. Jayalalitha at her Poes Garden residence and had a 20-minute discussion with her. They left for Delhi by the evening flight. Their tour of Karnataka will begin tomorrow.

A 15-page memorandum presented by the Chief Secretary to the experts team earlier in the day underscored the imperative need to release the entire 11 tmcft to be realised at Mettur and the remaining monthly flows as ordered by the Cauvery Water Disputes Tribunal on December 19.

The memorandum stated that the supplies due to the State for January also needed to be released continuously in one spell to sustain the crop and avoid the national loss of foodgrains production. As on January 1, an extent of 11,530 acres of paddy crop had already withered in the five delta districts and as on January 6, crops had started withering on 77,235 acres.

With about 14 tmcft of water left in Mettur and Bhavanisagar, the authorities were now trying to feed the ayacut in the Mettur system by maintaining a suppressed level of about 9,000 cusecs adopting turn system among different ayacuts in the delta. Unless the quantity ordered by the Tribunal was supplied to the State, the crops would face damage.

Though Karnataka received heavy rainfall in the last weeks of August and September, it did not make good the deficit and there was a cumulative deficit of 38 tmcft at the end of December 1995 after giving credit for flood and flash flows which the neighbouring State could not hold in its reservoirs. This led to diminished supplies to the delta in Tamil Nadu and had prolonged the

transplantation period. So, the harvest of Samba crop had been pushed beyond its normal period of January end to early February and that of Thaladi crop to early March.

The field conditions in Tamil Nadu would clearly substantiate that the major Samba crops needed irrigation for a longer period and the present utilisable storage of nine tmcft was utterly "inadequate."

As the quantum of 11 tmcft ordered by the Tribunal had not been realised till date, Tamil Nadu had to deny water for the second-turn ayacut of Lower Bhavani Project to raise single dry crop and decided to divert water from Bhavanisagar, of six tmcft at present, for saving the standing crops in the delta.

In 1990, the Karnataka Government stated that the total utilisation for the whole year in that State was of the order of 145 tmcft. But, even up to the second week of December last, the abstraction in the four major reservoirs was more than 173 tmcft besides 100 tmcft utilised through the anicut channel and minor irrigation, the memorandum stated.

Before their session with the State Government's officials, Dr. Y. K. Alagh, chairman, and Dr. Bharat Singh, member, of the committee had talks this morning, with Mr. S. Guhan, former State Finance Secretary, and Dr. A. Vaidyanathan, former Union Planning Commission Member, at Madras Institute of Development Studies (MIDS) on the Cauvery issue. They also had discussions with Dr. M. S. Swaminathan, renowned agricultural scientist, at M. S. Swaminathan Research Foundation.

Later, the experts, in their visit to the Institute for Water Studies (IWS), were briefed by Mr. G. Ganapathi Subramanian, Chief Engineer and Director of IWS, and other officials on the river-basin studies and methodologies adopted by the Institute.

In the afternoon, the wrap-up session was attended, among others, by Mr. Caprihans, member of the experts' committee, Prof. A. Mohanakrishnan, Chairman, Cauvery Technical Cell, Mr. R. Thirumalai, Chairman, Cauvery Advisory Committee, Mr. T. R. Ramasamy, Additional Secretary, PWD and Mr. K. Skandan, Director of Agriculture.

THE HINDU. JAN. 6. 96



Experts team arrives in Karnataka

# T.Nadu suppressing truth, says Gowda

From Our Special Correspondent

BANGALORE, Jan. 7.

The Karnataka Chief Minister, Mr. H. D. Deve Gowda, today said Tamil Nadu, which had prevented a representative of Karnataka from accompanying the expert panel to assess the crop condition, had shown the team only the selected and isolated places to make out a case that crops were withering in Tamil Nadu.

Mr. Deve Gowda displayed, at a hurriedly convened press conference, a bunch of lush green paddy plants which, he said, had been collected close to a field, that had been shown to the expert team as evidence of withering crops near Periyar village near Mannargudi.

The Chief Minister said he had collected data and photographs of the areas, where crops were said to be withering, that were visited by the team. He also showed an album containing pictures of the Korayar river and fields in the delta area. He said the expert team had been taken to four places between Mannargudi and Thiruvannamalai to impress upon it that crops were dying.

Holding the bunch of paddy plants, the Chief Minister said it had been collected yesterday and remarked: "Is it crop withering or political withering? Tamil Nadu has prevented a representative from Karnataka from joining the team to suppress the truth."

Mr. Deve Gowda said Tamil Nadu did not want the truth to come out. He pointed out that the tail end areas or the fields at a higher elevation normally did not get full flow of water. The crop samples which he had collected through persons deputed were from fields adjacent to those visited by the team. He had collected all details, the Chief Minister said and showed an illustrated document. Mr. Gowda said he would apprise the team of the actual position.

Mr. Deve Gowda said, "Our Tamil Nadu brethren should know that Karnataka has awakened and is alert. Tamil Nadu would find it difficult to substantiate its claims in its anxiety to protect its interests."

The Chief Minister remarked that "Tamil Nadu is ahead of us" in trying to make out a case in its support, whereas Karnataka was sober and did not hide the facts.

Mr. Deve Gowda reacted with sarcasm to the reported statement of the Tamil Nadu Chief Secretary, Mr. N. Haribhaskar, that there was no seat in the helicopter to accommodate the Karnataka representative, and said Tamil Nadu could have asked one of its officers to stay back to accommodate Karnataka's representative.

Mr. Deve Gowda alleged that the attitude of Tamil Nadu was to take its "pound of flesh by suppressing the truth." He contended that Tamil Nadu had been consistently turning down any suggestions to ascertain the actual fact. "All this will lead to strengthen my apprehension that Tamil Nadu is trying to project an unrealistic picture."



The Karnataka Chief Minister, Mr. H. D. Deve Gowda, displaying a bunch of 'healthy' paddy plants taken from a village in Tamil Nadu at a press conference in Bangalore on Sunday.

The Chief Minister maintained that 98 per cent of the crops in the delta area were healthy.

Mr. Gowda referred to the Prime Minister's move for adoption of policy guidelines for sharing of inter-State rivers. The issue had to be settled through negotiations, and not through a battle. "We will try to maintain a cordial atmosphere rather than fight the issue on prestige." He said Karnataka did not want to create problems for Tamil Nadu.

Responding to a question, Mr. Deve Gowda said for generations the people of the two States had lived together. There were Kannadigas in Tamil Nadu and Tamilians in Karnataka. "I appeal to all sections to maintain a cordial atmosphere."

Mr. Deve Gowda hoped that no room would be given in Tamil Nadu for disturbing that cordiality. He recalled that during the disturbances over the Cauvery waters issue in 1991 in Karnataka, Tamil Nadu did well to maintain harmony.

The Chief Minister observed that he was pained to mention that Karnataka was being painted as a "culprit" in the Cauvery waters issue before the Cauvery Water Disputes Tribunal, the Supreme Court and the people. They were trying to erase that impression by placing the facts before the people. He pointed out that in the last three years, there had been no trouble. Water was being given to Tamil Nadu when it was in difficulty and they would have to do so in future also. They were only expressing their

difficulty in releasing water now. The Chief Minister said a memorandum would be submitted to the expert panel detailing their difficulties and the actual position. The memorandum would be finalised after consultation with leaders of political parties. Agricultural irrigation and other experts would accompany the expert team, during its tour, he added.

Meanwhile, the three-member expert group headed by Dr. Y. K. Alagh arrived here this evening. The group will be visiting the Cauvery basin tomorrow and the day after.

Mr. Gowda said there were five districts in the Cauvery basin in Karnataka. They would place the map and the members of the expert team were free to choose and go to any area. "We will extend all cooperation. I do not go on the basis of reports (about the reported observation made by members of the Team) as the leader of the Team had denied the reports." If Tamil Nadu sends its representatives even now they would be allowed to go with them, he added.

Mr. Deve Gowda expected that the release of 6 tmcft of water to Tamil Nadu would be completed by tomorrow evening. "We will not release one drop more than six tmcft of water averred."

Meanwhile, a call has been given for a *loke bandh* by a Kannada Chaluva testing against release of water

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# Poorest monsoon rainfall in TN

From Our Staff Reporter

MADRAS, Jan. 5.

The deficit of 46 per cent in rainfall during the just-concluded north-east monsoon in Tamil Nadu was the worst in the last two decades. The State received 260 mm rainfall as against the average rainfall of 478 mm between October and December.

The last occasion the State recorded a still poorer rainfall during the monsoon was in 1974 when the departure from normal was minus 60 per cent. In fact, that year was the worst in the century.

The State recorded a deficient rainfall of over 40 per cent during seven years since the beginning of the century, said Mr G. S. Ganesan, Deputy Director General of Meteorology.

Besides 1974 and 1995, the other deficit years were 1904 (minus 46 per cent), 1909 (minus 48 per cent), 1938 (minus 56 per cent), 1947 (minus 47 per cent) and 1949 (minus 46 per cent).

Since 1900, deficit rainfall was recorded in 23 years, normal in 52 years and excess in 20 years.

## Shortfall in delta region

In 1995, during the monsoon, all the districts except Kanyakumari registered deficit rainfall. The districts covered by the Cauvery delta recorded a shortfall ranging between 30 per cent and 60 per cent.

Kanyakumari received a rainfall of 372 mm with a difference of minus 16 per cent, treated

as normal. With regard to the delta districts, Thanjavur recorded 270 mm (average: 518 mm) and the difference was minus 48 per cent; Tiruchi — 181 mm (391 mm) and minus 54 per cent; Nagapattinam Quaid-e-Milleth — 535 mm (787 mm) and minus 32 per cent; Pudukottai — 233 mm (406 mm) and minus 43 per cent and South Arcot — 260 mm (620 mm) and minus 58 per cent.

As far as other districts were concerned, the worst affected included: Chidambaranar — 179 mm (434 mm) with a difference of minus 59 per cent; Thiruvannamalai Sambuvarayar — 185 mm (443 mm) and minus 58 per cent; North Arcot Ambedkar — 160 mm (366 mm) and minus 56 per cent; Ramanathapuram — 232 mm (485) and minus 52 per cent; Coimbatore — 172 mm (336 mm) and minus 49 per cent; The Nilgiris — 262 mm (494 mm) and minus 47 per cent; Kamarajar — 228 mm (426 mm) and minus 47 per cent; Dindigul-Anna — 231 mm (432 mm) and minus 47 per cent; Chengalpattu-MGR — 321 mm (591 mm) and minus 46 per cent.

Madras registered a rainfall of 464 mm (759 mm) with a difference of minus 39 per cent, the lowest in the last five years. Even during the 1992 monsoon (which preceded the 'drought year' of 1993), the city received about 730 mm, registering a normal rainfall. But, this year, thanks to precipitation during summer and south-west monsoon, the combined storage in the three reservoirs feeding drinking water to the city was about 4,600 mcft.

But, in contrast, the overall annual rainfall

during last year was normal in Tamil Nadu. The State received 866 mm as against the average of 995 mm and the difference was minus 13 per cent. (The difference in the range of minus 19 per cent to plus 19 per cent is treated as normal).

The break-up of actual rainfall period-wise was: 39 mm (average: 49 mm) during January and February, 218 mm (141 mm) during March to May, 349 mm (327 mm) during June to September and 260 mm (478 mm) during October to December.

## Major power failure in north TN

From Our Staff Reporter

MADRAS, Jan. 5.

Several parts of north Tamil Nadu went without power supply for more than four hours on Friday afternoon following the tripping of two thermal power stations at Neyveli. Power supply was restored in phases.

According to TNEB sources, the thermal stations, with a generating capacity of 1,300 MW, broke down around 1 p.m., affecting the North Madras Thermal Power Station, Kalpakkam Atomic Power plant, and two of the four units at the Mettur Thermal station.

The Ennore and Tuticorin Thermal stations and hydel stations were not affected by the tripping.

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# Poll panel to review stand on J&K

From Our Special Correspondent

NEW DELHI, Jan. 12.

The Election Commission today appeared in an accommodating mood on the issue of holding elections to the Jammu and Kashmir State Assembly. A meeting of the full Commission held this morning arrived at a consensus that the Commission shall consider afresh further proposals from the Union Government to hold elections in the State.

In an hour-long meeting of the full Commission, the three Commissioners deliberated upon the Supreme Court's directive of yesterday on a petition challenging the validity of the EC's position against the holding of polls in Jammu and Kashmir. Though the outcome of the meeting was not clearly spelt out by the Commission, a meeting between the three Commissioners and the Union Home Secretary, Mr. K. Padmanabhaiah is likely to be held within a week.

The Commissioners are learnt to have resolved that the Union Government should give the Election Commission an update on the ground realities in the State detailing the developments after Nov. 10. The consensus that emerged after the hour-long deliberations in the wake of the apex court's directive is that there should be a spirit of accommodation on both sides — the EC as well as the Government.

The three Commissioners — Mr. T. N. Seshan, Mr. G. V. G. Krishnamurthy and Dr. M. S. Gill — are believed to have agreed on the point that the Government should 'convince' the Commission that the situation in the Valley has changed from what was there before Nov. 10, which had led them to differ with the Government's view on holding the polls in the State.

Similarly, the Commission is also particular that in addition to the Home Ministry's assessment on the ground reality in the State, the Commission was guided by the statements by the State Governor, Gen. K. V. Krishna Rao who had categorically said that the situation was not conducive for elections.

Pointing that these factors were instrumental in the Commission taking a decision against the holding of elections in the State, the Commis-

sioners are learnt to have resolved that the Governor's views should be sought once again to see if the situation has changed.

The three Commissioners are learnt to have agreed among themselves on these issues and expected the Government also to make some moves. 'After all the Supreme Court's directive was meant for both the Election Commission and the Government,' said one of the Commissioners. It is in this context that the three Commissioners have resolved to have an open mind and consider any communique from the Home Ministry, particularly, an update of its assessment on the ground reality.

Such a report from the Home Ministry, according to one of the Commissioners could do well to reopen the subject and consider afresh the question of holding polls in Jammu and Kashmir.

UNI reports:

The Government is studying the Supreme Court directive for holding discussions with the Election Commission on conducting polls in Kashmir.

Official sources said the discussions with the Election Commission would be held after the directive of the apex court had been examined by senior officials and legal experts.

The sources said "as of now, an overall assessment of the situation will have to be made before deciding on fresh election dates for the State," where President's rule had been extended till July 17.

The Congress(I) leadership is in favour of holding elections in the State before mid-March. Many senior Congress(I) leaders and Ministers favour the State Congress(I) Committee's demand for holding elections in the State before parliamentary polls.

The Congress(I) Joint Secretary, Maj. Ved Prakash said today that the people of the State wanted early installation of a popular government in Jammu and Kashmir so that developmental activities could take place.

The Pradesh Congress(I) chief, Mr. Ghulam Rasool Kar, had recently undertaken a "sadhbhavana yatra" from Uri to Qazigund to mobilise people's support for installation of the popular

Government and fight against militancy.

The Congress(I) had also organised many rallies in the last year to gear up the party for the elections. These rallies were addressed by the party general secretary, Mr. Madhavsingh Solanki, and other party functionaries. Several Ministers also visited the Valley to speed up development in the State, which had been seriously hampered by the extremist activities.

The National Conference also organised workers' meetings in Jammu and Srinagar to prepare party workers for the elections. The National Conference opposed holding of elections in December as it wanted a political package for the State before announcement on the elections.

## Hurriyat seeks Canada's help

From Our Special Correspondent

NEW DELHI, Jan. 12.

The All Party Hurriyat Conference has sought Canada's intervention in the Kashmir dispute. In a letter addressed to the visiting Canadian Prime Minister, Mr. Jean Chretien, the Kashmir Awareness Bureau, the Hurriyat's Delhi Office, wants him to use the occasion of his visit to South Asia to prevail upon India and Pakistan to find a peaceful solution.

Claiming to be representing the movement "against the Indian occupation," the Hurriyat has tried to impress upon Mr. Chretien, its desire "to save people in India and Pakistan from a nuclear disaster." Asserting that it has come up "with the most pragmatic and practical alternative solution for the resolution of this conflict," the Hurriyat communication reiterates the familiar demand for a "constructive, meaningful and peaceful talks between all the contending parties i.e. India, Pakistan and the true representatives of Jammu and Kashmir with the help of a mediator from the world body or any friendly country."

The communication has been signed by Mr. Firdous Asime, chief of the Kashmir Awareness Bureau.

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# Project to take science to farmer

NEW DELHI, Jan 7 (UNI)

The Indian Council of Agricultural Research (Icar), in association with state agricultural universities, is launching a national project for better scientist-farmer linkage to ensure development and adoption of local specific cultivation technologies.

The two-year project being taken up in 42 different farming locations spread over 19 states is a significantly new effort to eliminate the gap between agricultural research and its actual adoption by the farmers.

Each participating centre would identify and adopt one village or a cluster of villages to cover about 1,000 farm families. Each centre will get the spot services of two teams of scientists drawn from the

Icar, local farm universities and research stations.

The first team will consist of scientists from core disciplines like agronomy, soil science, plant protection, plant breeding, home science and the like. The other one will be a specially drawn up team of scientists for solving specific problems of the regional farming, be it raising of vegetables, horticulture, fisheries or animal husbandry.

**RESOURCES PROFILE:** The scientific teams earmarked for each selected centre would closely interact with the farm families and draw up a farming resources profile of the area. Then they would initiate crop research and development activities in consultation with the farmers keeping in

mind the farmers aspirations and the objective of taking optimum advantage of the given situation.

The new project is the outcome of the realization that effective extension of the research results to the farmers' field continued to be one of the important weak points in the agricultural set up despite the launching of the training and visit (TV) programme taken up in the 70s and 80s.

Senior scientists at the icar headquarters in delhi also pointed out that the technology refinement and adaptation as envisaged in the scientist-farmer linkage project is also crucial to the success of farming in the post-green revolution days as well as for the post-Gatt agreement commercial orientation to farming.

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## Large scale floriculture project for Kerala

From Our Special Correspondent

THIRUVANANTHAPURAM, Jan. 12. The Kerala State Industrial Development Corporation, Pace International (KSIDC) of the KJP group of Kollam and Verenigde Oostindische Compagnie (VOC) of the Netherlands today signed a Memorandum of Understanding for the establishment of a floricultural project in Kerala. A separate company — Little Holland — will be floated for this purpose.

While the KSIDC will provide 25 hectares for the project, Pace International will offer the local management. The Dutch promoter VOC which has established a VOC India Flower Council, will coordinate the Dutch technical and financial input required for the project.

According to the capital structure worked out, Pace International and VOC will each hold 26 per cent equity with the KSIDC picking up 11 per cent. The balance will be brought as external capital through the directors or a public issue.

The feasibility study of the project will be

completed by February end and once the site is selected the project will be operational within four months.

The project is a tangible result of the economic mission undertaken by the State Minister for Industries, Mr. P. K. Kunhalikutty, to Europe last summer.

Mr. G. R. Reinders, Chairman of VOC Netherlands said Little Holland would focus its marketing in Europe and the Far East. The difficulty of marketing floricultural produce was all too often underestimated. The world trade in cut flowers was highly monopolised — half a dozen players handling 90 per cent of the market — but Little Holland would work closely together with one of these wholesale companies to maximise its access to the world market.

The project will use the latest state-of-the-art technology and the Dutch technical management would oversee the development of the project on a permanent basis. It will be concentrating on the cultivation of anthuria, orchids and carnations.

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HEALTH







# Prevention and control of cardio-vascular disease

**W**HEN a doctor tells a sixty-year-old man that his blood pressure (BP) reading is 140 mm. Hg systolic and 90 mm. Hg diastolic, lines of anxiety do not quite appear on his face. Because of the doctor's reassurance "Do not worry. This is normal at your age."

Ideally, the resting blood pressure in adults should not exceed 120/80. But a reading of 140/90 in adults is generally brushed aside as being "near to normal" or at the most defined in medical parlance as "borderline hypertensive" – because the associated risk in such cases is thought to be rather low.

But leaving such borderline cases untreated can prove to be dangerous. Based on several such findings, the World Health Organisation's expert committee report "Hypertension Control in Populations" has identified hypertension as a major health problem affecting about 20 per cent of the adult population in most countries.

It has also identified hypertension as one of the major risk factors for cardiovascular mortality, which accounts for 20 to 50 per cent of all deaths, and, for morbidity which contributes to disability and health care cost.

A medical practitioner generally attributes the severity of the clinical condition of a patient to his/her total cardio-vascular risk. Since smoking, raised serum cholesterol levels and diabetes constitute a major portion of the total cardiovascular risk, hypertension cannot be treated in isolation for cardio vascular diseases (CVD) reduction.

It is always better to prevent a rise of blood pressure levels rather than to treat elevated levels much later in life. The rise of blood pressure age is neither inevitable nor normal.

## ISSUES

Studies in Brazil have revealed the existence of the Yanamao community in whom the blood pressure levels remain static throughout lifetime. The reason is that the community has not been influenced by any other lifestyle.

Studies elsewhere in the world have shown that a rise of blood pressure levels could not be prevented largely because people did not know they were suffering from hypertension, 50 per cent of those aware were not on therapy and 50 per cent of those on therapy showed dissatisfactory results owing to delayed intervention.

This ignorance about the silent attacker coupled with elevation in blood lipids and glucose, cigarette smoking, obesity and sedentary lifestyles has always been a potential prescription for CVD. In many nations, the pattern of CVD epidemic is changing. In several industrialised countries, the age-adjusted mortality for coronary heart diseases (CHD) and stroke and absolute number of CVD deaths are falling. The reasons for the decline are thought to be a reversal of several potential factors which earlier precipitated the crisis.

Smoking which spread widely in the first half of the century is now falling in developed countries owing to the sustained anti-smoking campaign by the people. Hypertension, once widely undetected is now routinely diagnosed and treated. Mass hyperlipidaemia is now less common in the population owing to widespread dietary changes and better detection and treatment of elevated lipids.

However, these successes have been offset by the rising CVD death rates in the developing countries. In Eastern Europe, CVD remains the leading contributor to global mortality. The epidemic threatens to attain a menacing magnitude as it advances in the developing countries where even manifest CVD is not always treatable as out-of-hospital "sudden deaths" are still common.

India too is racing towards the high risk zone and CVD is identified as a major contributor to morality and morbidity in the country. Conservative estimates suggest that in 1990 CVD caused 2.38 million deaths and the nation incurred a loss of 28.59 million disability adjusted life years.

Epidemiological transition with increasing life expectancy and demographic shifts of population age-profile combined with lifestyle related increases in the levels of CVD risk factors, is accelerating the CVD epidemic in India. A doubling of deaths due to CVD between 1985 and 2015 A.D. has been projected (Table I).

1996 and last till 2001 A.D. During this period, preventive action will initially focus on specific target groups identified on the basis of potential impact and feasibility. The three levels of action would be directed towards the organised sector, at district levels and schools.

The Government has identified five districts – Ladakh (Jammu & Kashmir), Nagpur (Maharashtra), Thiruvananthapuram (Kerala), Najafgarh (Delhi) and Ballabhgarh (Haryana) – to get the community control programme running by April this year. These areas, selected on the basis of their proximity to medical colleges, are to be developed utilising the existing primary and secondary health care infrastructure.

Major causes of death in India						
	1985		2000		2015	
	Male	Female	Male	Female	Male	Female
All causes	1158	1165	879	790	846	745
Infectious	478	476	215	239	152	175
Neoplasms	43	51	88	74	108	91
Circulatory	145	126	253	204	295	239
Pregnancy	0	22	0	12	0	10
Perinatal	168	132	60	48	40	30
Other	239	293	280	285	167	171

Estimated and projected mortality rates (per 100,000), by sex (1985, 2000 and 2015)

Studies from various countries show that there is a 1.5 to 8-fold excess risk of coronary deaths in persons of Indian origin (Table II) and much of this mortality occurs prematurely. The reasons for this are as urbanisation occurs, increases in general obesity, dietary changes and reduced physical activity results in more overt diabetes and elevation of total blood cholesterol.

Possible genetic susceptibility and environmental influences appear to make the South Asian immigrant especially vulnerable to coronary disease. Urban Indians are manifesting a transitional risk profile and if the trend persists, it is feared that they will soon replicate the experience of Indian migrants. Rural Indians, hitherto protected, will also go the same way subject to alteration in lifestyles as a result of urbanisation or westernisation.

If the CVD epidemic is allowed to advance, the high costs of technology-intensive diagnosis and management of clinically manifest CVD will become unaffordable to the national economy which is committed to the pursuit of sustainable development through optimal utilisation of resources.

Global experience has consistently revealed that though the CVD epidemic initially starts in higher socio-economic strata, it speedily diffuses across the spectrum with the poor ultimately bearing the brunt of disease, disability or death.

The rising cost of tertiary care for CVD will marginalise the poor, despite their high burden of diseases and deny access to several lifesaving interventions. The high health care expenditure on CVD – inadequate and inequitable as it well might be – will also deprive other relevant health care sectors of their requisite sources.

This will result in societal and governmental resources becoming scarce or unavailable to lifesaving programmes of essential and basic health care. The CVD epidemic will be a public

This, according to Dr. Reddy, will help in achieving twin goals. Along with early detection measures and cost-effective interventions, community-based health education and awareness-enhancement will be easier because medical colleges will act as regional resources for strengthening the programme for training, monitoring and evaluation.

It will provide medical students an ideal ground for thesis study and also help in collecting periodic data, feels Dr. Reddy, lamenting the lack of a databank in the country.

While the AIIMS successfully began a 'Coronary Heart Industrial Population Study' (CHIPS) at Bharat Electricals Ltd, Ghaziabad, two years ago, the objective is to concentrate on the organised sector mainly because health care delivery systems already exist, and therefore, CVD control programmes benefiting employees can be readily implemented with the help of the available trained medical and paramedical staff.

Also, with back up support from medical colleges data compilation and analysis would be easier. While workforce and their families would be the prime recipient of these services, all socio-economic strata would benefit through programmes in the sector and help researchers in gathering community-based data.

While a centre of excellence is sought at a later stage to integrate a CVD programme based on feedback from all the organised sectors AIIMS now will coordinate all activities. Health education and lifestyle modification would be the pivotal component of the programme to be implemented in sectors as diverse as the railways, airlines, plantations, oil refineries, steel and thermal plants, mines, employees state insurance, universities, paramilitary organisations and many more.

Early detection through periodic screening,

THE HINDU



## Intestinal TB reappears with AIDS

● Abdominal tuberculosis is reappearing with the spread of the Acquired Immuno Deficiency Syndrome (AIDS). Two cases of abdominal tuberculosis (TB) were reported recently from the Bangalore Medical College (BMC). A rise in abdominal TB cases is also being reported abroad.

Doctors said diagnosis can often be missed as chest X-rays do not show any signs of tuberculosis, and sputum samples do not reveal presence of TB bacteria in laboratory tests.

Hence, patients testing positive for the AIDS-causing Human Immunodeficiency Virus (HIV) and having a history of chronic diarrhoea could be tested for abdominal TB, says a report from the BMC.

TB of the lungs, lymph nodes, gastrointestinal tract and central nervous system are common in HIV-infected persons. Tuberculosis of the gastrointestinal tract is usually due to swallowing infected sputum by a patient already having chest TB, or drinking infected raw milk from a cow with TB. Symptoms usually seen in patients include fever, weight loss, diarrhoea, pain in the abdomen and liver problems.

The Bangalore doctors said abdominal TB is one of the several opportunistic infections that set in once the immune system is weakened by HIV infection.

There is already a marked increase in lung TB cases after the spread of AIDS, and many cases are due to reactivation of latent infection, the doctors said.

THE AIDS virus has travelled a long way since it was first reported approximately 14 years ago among homosexual men in the U.S. Though the HIV virus arrived in south-east Asia much later in Thailand in 1985, it has infected the entire region with ruthless efficiency.

In 1992, according to a World Health Organisation (WHO) report, India and Thailand reported the maximum number of cases in this region. In fact, by the year 2000, India is expected to top the list of AIDS cases with about 5 million people infected. A recent survey undertaken by a state-funded agency puts the current figures of reported AIDS cases at 2,095. Out of 27.4 lakh samples screened, 21,130 were found to be HIV positive.

Nationwide surveillance networks have revealed that AIDS is prevalent in 24 states and union territories — basically everywhere where testing facilities are available. Not surprisingly, Bombay (where the first AIDS case was reported eight years ago) and Maharashtra are suspected to contain 5 to 10 per cent of the country's infected individuals. Another hot spot for the virus is Manipur, where drug abuse and sexual promiscuity is extensive. In fact, this state serves as a conduit for the virus to other north-eastern states, such as Meghalaya, Mizoram, Arunachal Pradesh and Nagaland.

Though the primary source of infection in India is heterosexual sexual promiscuity — 75.2 per cent of the AIDS cases in the country are estimated to have been caused by it — the next largest segment (12 per cent) is through blood and blood products. It is, therefore, obvious that high-risk groups such as homosexuals and drug abusers are not spreading the disease as much as high-risk behaviour. In response to National Aids Control Organisation or NACO's strategy in switching from high risk groups to high-risk behaviour, Dr. K K Dutta, Director, NICD (National Institute of Communicable Diseases), said, "These high-risk groups show a tendency towards high-risk behaviour, but such high-risk behaviour is not restricted to high-risk groups only. It is much more positive to stress high-risk behaviour."

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# World fair: Food, food everywhere

INDIA'S share of nature's bounty came partially to the fore at ANUGA '95 through its striking range of agro-products, processed foods, canned fruits and juices, sauces and pickles, rice and a variety of value-added food items that gave a collective impression of a versatile and diversified food sector.

ANUGA is a biennial event of the global food trade that draws up its curtains in the fair city of Cologne and which has become a "must" in the diaries of hoteliers and catering industry executives, food and agricultural producers, restaurateurs, food technologists, and in recent years even of agricultural policymakers the world over, in a bid to keep abreast of new food trends, eating habits, shifting consumer preferences, technological advances in the food industry, and the cross-cultural influences on gastronomy.

India fielded a massive contingent of some 50 leading producers and exporters from both the public and the private sectors. The wide range of display reflected the export potential of India's growing food processing industry and was indicative of what a diversification of sophisticated agro-industries could achieve in foreign markets within the span of a few years, given adequate inputs of technology, raising of quality standards and mobilisation of marketable surpluses.

On view were a variety of processed fruits and vegetables, dehydrated vegetables, spices, coffee, tea, traditional Indian snacks, cashew nuts, and others. Able support was extended by the promotional bodies — the Cashew Export Promotion Council, Coffee Board, Tea Board, Spices

Board and the Agricultural and Processed Food Export Development Authority (APEDA).

The progress and potential of India's food processing industry merited a special seminar during ANUGA '95 that drew considerable response. Titled "Opportunities for agri-business in India", the seminar saw an audio-visual presentation by APEDA chairman, Mr. Gokul Patnaik detailing the areas where opportunities were aplenty for trade and investment.

Not to be outdone, the States of West Bengal and Himachal Pradesh also made their own individual presentations on "doing business" in their respective States and the incentives offered to entrepreneurs to take advantage of industrial collaborations or joint ventures. They were followed by a lively interaction between the Indian side and businessmen planning to launch their activities in India soon.

The popularity of Indian tea continues unabated. Germany has been a steady market, importing some 80 million kg last year, mostly of the packaged variety. The Darjeeling brand of tea still commands premium prices. The bright trend of tea sales in Germany has led the India Tea Promotion office in Brussels to shift its operations to Hamburg in order to serve the German market more efficiently, according to Ms. Rupali Dutta of the Brussels promotional office.

Also mentionable has been the surge in demand for India's Basmati rice which is known not only for its superb quality but also for its increasing uses in European cuisine. The strong deutschemark has led to an enhanced export capability, said the exporters at the fair.

Germany has graduated to the rank of the second largest Indian market in Europe for cashew nuts and promotion was now on for packaged cashew, according to Ms. U. Indra of the Cashew Export Promotion Council. India's traditional strengths in spices have held steady, with the accent now on the export of value-added spices in the form of curry powder, spice oil and oleoresins, branded consumer packs and dehydrated green pepper. India has share of over 10 per cent of the European market in spices, according to Spices Board officials.

As the largest importer of agricultural products in the world, Germany has been giving a big boost to developing countries for their exports. Despite the general agricultural surpluses in the European Community (EC) in the past, Germany has continued to be an open agricultural market without barriers. This high level of German imports — some DM 60 billion annually — has greatly contributed to the benefit of developing countries whose exports to Germany touch some DM 10 billions annually.

The fair has been breaking records in attendance every year. This year saw more than 6,300 exhibitors from some 100 countries come together in Cologne in a mammoth show providing glimpses of the world's food production in its variety. On view were countless dairy and meat products, seafoods, fresh and canned fruits and vegetables, alcoholic and non-alcoholic beverages, ethnic specialities, health foods and fast foods. — IN Press

## Look before you eat

AN increasing number of food items in India contain non-permitted colours that can cause a wide range of adverse reactions. Most diseases caused by food are due to consumption of non-permitted colours or abuse of colours.

Food colours, natural or artificial, can induce adverse reactions, says the National Institute of Nutrition (NIN), Hyderabad in a report published in the *Indian Journal of Medical Research*.

Analysis of samples of confectionaries collected in Hyderabad and Secunderabad confirmed wide use of non-permitted colours. Major adulterants in confectioneries were non-permitted colours such as mentanil yellow, orange II and rhodamine B.

The permitted synthetic food colours in India include carmoisine, erythrosine and ponceau 4R (all red in colour), sunset yellow and tartrazine (yellow), brilliant blue and indigo carmine.

Synthetic colours like Sudan dye are major adulterants in edible oils. Colours such as mentanil yellow, Sudan IV and lead chromate were detected in turmeric powder, while tartrazine and mentanil

yellow were reported in pulse and pulse products. Sunset yellow, carmoisine, tartrazine, brilliant blue and mentanil yellow were found in tea and coffee.

Another NIN survey showed that 5 per cent of samples tested contained orange II, 41 per cent rhodamine, 30 per cent auramine and 24 per cent of the samples had a combination of rhodamine and auramine.

The most frequently used non-permitted food colour is mentanil yellow, that causes abnormalities in haemoglobin, eventually leading to insufficient oxygen supply to tissues.

Food containing lead chromate caused vomiting and diarrhoea in several persons, while some women were reported to develop severe allergic reactions after consuming foods with carmine, a natural dye extracted from a group of insects. Tartrazine, a permitted food colour, has been reported to cause irritability, restlessness and sleep disturbances in some children.

Other permitted food colours such as amaranth, sunset yellow and ponceau 4R have been linked to chronic skin allergy.

The NIN report says food colours often react with proteins and carbohydrates in foods. For example, some colours such as erythrosine, orange II and rhodamine B at the concentrations added in food harm carbohydrate digestion. Similarly, rhodamine B, amaranth, indigo carmine and tartrazine have been reported to affect enzyme activity.

Studies at NIN have shown that amaranth, tartrazine and erythrosine react with mineral ions such as copper, iron and zinc in foods, affecting their absorption in the small intestines and leading to deficiency disorders.

Animal experiments at NIN have also shown that tartrazine and mentanil yellow reduce levels of vitamins A and E.

The Government must take steps to stop use of synthetic colours that have not been proved to be non-toxic, replace synthetic colours with natural ones after safety evaluation, and educate the public about dangers of non-permitted food colours.



# Commercialisation of health care system deplored

From Our Special Correspondent

PATIALA, Jan. 7.

Dr. N. H. Antia, former member of the Planning Commission, has deplored what he called the commercialisation of the health care system, to the detriment of the common man.

Speaking at a plenary session on 'health security' organised here today as part of the ongoing 83rd Indian Science Congress, he said it was rather unfortunate that human suffering was being turned into a big business, with both the medical professionals and the people getting marginalised in the process.

He said it was also sad that the allocation of resources for health services was not equitable, in that for every rupee spent in the rural areas, five were spent in the urban centres, though it should be otherwise, considering the population distribution.

The rural health service was also suffering as while the private practitioners working there sought to treat every ailment by administering injections, the Government-run primary health centres were over-centralised and bureaucratised, with more of vertical than horizontal programmes, when what was needed was provision of integrated and comprehensive health services in a decentralised manner.

With much of the allocations going in for payment of salaries and other such expenditures, hardly any money was also left for equipping them with drugs and other essentials.

Another major problem facing the health system was that the ratio of doctors to nurses and other paramedical staff in the country was totally opposite to what was required. For instance, for every single doctor, there was a need for three nurses. But, on the contrary, there were only three nurses for every 10 doctors.

## Irrational use of pharmaceuticals

Even though according to the WHO, just about 300 drugs were enough to take care of all the illness, 70,000 formulations were available, resulting in irrational use of pharmaceuticals.

Dr. Antia also expressed concern that the GATT agreement would not only push the drug prices out of the reach of the common man, resulting in an increasing number of avoidable deaths, but also land the country into a more serious debt trap.

He said what was immediately needed was to demystify medicare and treat health not as a medical problem, but as a social problem. Medical professionals should transfer knowledge to the people and enable them to take care of their own health. It must also be remembered that it was not how much one spent on medicare, but how it was spent, he added.

Dr. D. Balasubramanian, Director, Centre for Cellular and Molecular Biology, Hyderabad, said the health status of the country could be raised

to a large extent by merely eradicating illiteracy, particularly among women.

There was also no need for any new research for many of the big killer diseases, as the remedies for them were already known and available. What was required was that they should be within the reach of the people.

Dr. Usha Nayar, Professor of Physiology, All India Institute of Medical Sciences, making a presentation on 'biotechnology and health', said it was true that gene therapy would be highly expensive. But, for that matter, any new development would be costly. After all, the world wars, which exacted such a price in terms of human loss and damage to property, have had their positive fallouts in medicine and other fields. One could not forget it.

Prof. U. R. Rao, president of the congress, presiding, regretted that drugs that had been banned in several other countries, were still available in India.

## Scientists urged to give priority to R & D

PATIALA, Jan. 7.

With advanced countries looking at India as a potential competitor, the country will find it extremely difficult to get technologies from abroad, Prof. R. A. Mashelkar, the Director-General of Council of Scientific and Industrial Research (CSIR), said here yesterday.

This is already evident in the case of defence and space and it will be extended soon to civilian sectors as well, Prof. Mashelkar said while delivering a lecture at the 83rd Indian Science Congress here.

"India tomorrow is India of dreams," the CSIR chief said urging scientists to have a sustained commitment and world-class research and development. "There should not be any compromise on this," he felt.

In the near future Western countries will treat trade policies as "competition" policies which have three essential components: a uniform intellectual property right, an environmental regulation and identical labour legislation all over the world. According to Prof. Mashelkar unless India is technologically strong, the country will not be able to assume the role of dominant partner in this rapidly-changing global economic scenario.

Dr. R. N. Sharma, chairman of the Hindustan Aeronautics Limited (HAL) said acceleration of industrial growth is not coming from foreign investment. Dr. C. S. Ghokale, an expert in textiles, urged the Government to allow corporate sector to enter cotton farming as Indian cotton productivity is very low. India may be the third largest cotton producer in the world, but India's cotton production per hectare is the lowest in the world, Dr. Ghokale said. — PTI

THE HINDU. JAN. 7/96



# Social interaction and mental activity



Illustrations by Laura Fernandez



**P**EOPLE who receive little stimulus from their environment, e.g. those who spend all their time in the same boring room and rarely see anything else, suffer a more rapid decline in their mental faculties than those who are subject to a great deal of sensory stimulation. Investigations have shown that old people's homes which provide a stimulating environment – by organising concerts, periodically changing the pictures on the walls, rearranging the tables in the dining room – help to enhance the mental performance of the inmates. Other old people's homes which with the best of intentions look after their inmates' physical needs but make few demands on them are actually doing their inmates some harm by contributing to a decline in their mental faculties.

One of the most important questions dealt with in personality research is that of the "self-image," i.e., the way in which an individual sees him or herself within a social reference system. No age-related change in self-image can be empirically demonstrated and indeed in some cases such a change can be refuted. The results of a number of investigations have called into question any direct age-related change in self-image. They reveal, above all, causes related to specific situations, such as giving up work, the feeling

of being no longer needed or, to put it generally, the degree to which social interactions alter. It has been found again and again in this connection that the attitude of society to elderly people, society's approach to them, largely determine the elderly person's self-estimation.

How society sees the elderly person is thus important for self-image in the ageing process. We are dealing here with an interactive process: if society regards elderly people with respect, sees them as full members of society who are competent and capable (as they usually are) and thus promotes or reinforces their self-esteem, elderly people can face those around them with inner assurance, and thus with kindness and understanding.

However, elderly people in whom society has encouraged a negative self-image are found to be more defensive, sceptical, distrustful and to have less goodwill towards others, especially the young, in their social behaviour. The generation gap has many of its roots in this mutually false image.

Having learnt to conform to the behaviour which society expects of the elderly, many a person on reaching old age tends to be inactive. This inactivity has to be combated. Retirement is not a time to rest. Too much relaxation and idleness accelerate the degenerative process in old age. Retirement should be a time for activity and change.

The image of elderly people in most industrialised countries stresses the negative aspects and engenders negative expectations.

The feeling that one is no longer



useful may have a destructive effect on a person's self-image.

The prejudices of society towards old people contribute to the development of a negative self-image. ■

Courtesy: S. KARGER AG, Basel







# environment and ecology







# A tale of two rivers

*And voices of protest against pollution*

The Bhavani, a livelihood source for countless villagers, flowing out of the Nilgiris.

Peter Prabhu Kumar

A. RANGARAJAN

THIS is the tale of two rivers, the Bhavani and the Chaliyar, originating from the Shola grasslands of the Nilgiris plateau. A 185-km course takes the Bhavani briefly through Kerala, then flowing eastwards in Tamil Nadu it joins the Cauvery. Flowing westwards across Kerala, the Chaliyar's 169-km journey through dense bamboo forests ends at Beypore on the Arabian sea.

The Chaliyar brings prosperity to a lush land with bountiful yields of spices, coconut and rice. The Bhavani, flowing through the less green Mettupalayam, Sathyamangalam, Gobichettipalayam and Erode regions, gives irrigation water for parched lands. The Chaliyar offers scope for fishing and shell collection, mainly by women, while the Bhavani and its fishing *parisals* (coracles) have been livelihood sources for many down the ages.

Rumbling machines and belching chimneys on the river-front shatter this scene. Two storm-centres are the SIV Industries (formerly

South India Viscose) on the Bhavani banks at Sirumugai, and Grasim Industries (formerly Gwalior Rayons) on the Chaliyar banks at Mavoor. Kerala and Tamil Nadu have witnessed unprecedented campaigns against pollution by these manufacturing units.

Mavoor was a picture of rural serenity and agricultural prosperity until 1958, when the Kerala Government sanctioned a pulp factory. The State Government sold bamboo at Rs. 1.50 a tonne and permitted the liberal use of the river water. In 1968, a staple fibre unit started production.

P. K. Uthaman, an environmentalist in Wayanad, says that not assigning proper environmental costs to such

natural resources make even unviable industries seem viable.

Over the years, air pollution has affected the people in the vicinity. In Vazhakkad (Malappuram district), where discharge from chimneys hangs like a smog, the panchayat conducted a health survey; it showed relatively high incidence of cancer and respiratory illness among the villagers. Panchayat president Rehman said more than 70 persons had died of cancer in the last five years in an area with a population of 28,000. Panchayat records show that in 1994, 24 persons died of cancer and in 1995, between January and May, there were six cancer deaths. Rehman adds that kidney, heart and liver ailments, besides respiratory disorders, were claiming lives.

K. K. Aboo, MLA, raised the issue in the Assembly and wrote to Chief Minister A. K. Antony in August urging action on the alarming air and water pollution.

Dr. T. Vijiamadhavan of the Society for the Protection of Environment, Kerala (SPEK), a voluntary agency with highly qualified scientists in its fold, explains the possible correlation between the emissions of





sulphur dioxide, carbon disulphide, hydrogen sulphide and respiratory disorders. In a petition to a Rajya Sabha Committee in 1982, he said that incidence of respiratory illness was nearly 20 per cent in Vazhakkad while elsewhere in the country it was around 7 per cent.

Correspondingly on the Bhavani side, Durai Govindarajan and Kumaresan of Doddampalayam showed corroded utensils and tele-

phone lines as evidence of pollution by sulphur compounds. Perhaps the lack of physical features obstructing the drifting of airborne discharge as in Mavoor and Vazhakkad has not resulted in major health problems at Sirumugai or adjoining areas. However, people report a burning sensation in the eyes and respiratory discomfort, and even the occurrence of acid rain. (During precipitation, sulphur dioxide in the air results in dilut-

ed sulphuric acid.) Mookkom, near Kozhikode, along the Chaliyar, too, experienced acid rain recently.

An agreement in 1975, following public agitation, compelled Grasim Industries to pump its treated effluents through a 6.4-km pipeline and discharge it into Chungapalli, a point further downstream on the Chaliyar. The company did not complete the pipeline till 1979 claiming steadfastly that it was not polluting the river. People from

## The pollution angle

A. RANGARAJAN

UNDERSTANDING the production process of pulp and fibre manufacture can give an insight into the pollution problem. Pulp is manufactured by the sulphate process. Small chips of wood are subjected to high pressure and temperature in a boiler. This process known as pre-hydrolysis softens the wood and results in the creation of effluent pre-hydrolysis liquor or P.H. liquor.

The softened solids are strained and washed several times. The waste water after the washings becomes the P.H. wash. The washed solids go to a digester where it is subjected to high steam pressure in the presence of cooking liquor – a mixture of sodium sulphide (or calcium sulphide), sodium sulphate, caustic soda. This digestion enables the separation of cellulose fibres. During this process, lignin, resins and carbohydrates that bind cellulose get separated and result in a thick soup. From this the brown pulp (cellulose) is separated.

The remaining liquid in the black liquor contains sulphides, sulphates, lignin, ligno-sulphonic acid and other organic matter besides caustic soda. Digestion process also results in the production of hydrogen sulphide and other harmful gases.

Caustic soda is recovered from the black liquor for re-use and the rest is used as fuel for the boilers. In practice some black liquor escapes into the effluent stream. This process gives away the first component of the effluent stream.

The separated brown pulp is bleached and washed several times in large quantities of clean water, giving the second component.

The third component comes from the fibre-manufacturing process. The pulp here is treated with sodium

hydroxide solution and other chemicals to get alkali-cellulose, which is filtered out after draining the caustic solution. The alkali-cellulose, after ripening, is subjected to a process known as xanthating – the treatment of cellulose with carbon disulphide in the absence of air. A thick soupy compound, alkali-cellulose xanthate, is formed. This compound is extruded, through several fine jets into a sulphuric acid bath. Fibre solidifies as strands and often zinc is used to enhance fibre quality. The fibres are washed over and over.

Of the three components of the effluent stream, the first constitutes 4-5 per cent of the total effluents. It will have an approximate temperature of 70-80° C and a BOD (biological oxygen demand) of 40,000 mg per litre. The second constitutes about 70-75 per cent of the effluents with a temperature of 50° C and with an approximate BOD of 1,200 mg per litre. The third constitutes about 20-25 per cent of the effluents, with a BOD of about 175 mg per litre. The third component also has the heavy metal element of zinc to the extent of 5 mg per litre.

Locating industries near rivers has a two-fold advantage, easy access to water and easy disposal of effluents. Effluents from staple fibre production are largely organic wastes, which if kept within reasonable limits, are rendered harmless by bacterial action in the river. Bacterial activity will result in the consumption of dissolved oxygen (DO) in the river by the bacteria. Therefore, low quantities of organic matter and high amounts of DO is indicative of a healthy river.

The parameters for quantifying the pollution of water bodies by organic wastes are biological oxygen demand (BOD is a crucial parameter) and chemical oxygen demand (COD).

BOD is expressed as milligrams of oxygen used up in five days from one litre of water kept at 20° C. When organic wastes increase, the DO gets depleted and, in extreme cases, the biota (planktons, molluscs, fishes and so on) of the river is totally deprived of oxygen leading to death of life-forms. These bacteria which treat organic wastes in the presence of DO are known as aerobic bacteria.

After all the available oxygen is used up, anaerobic bacteria start acting. These bacteria utilise oxygen molecules trapped in phosphates, sulphates and nitrates by chemically releasing them. Anaerobic action results in the formation of sulphur, phosphorus and other poisonous byproducts that contaminate water bodies.

Effluent treatment basically involves sending the effluents to a cooling pond and then to anaerobic lagoons where nutrients like urea are added and mechanical aerators give more oxygen. After further treatment, the BOD of the effluent should not be more than 30 mg per litre before joining the river, ideally.

Water pollution also involves the accumulation of heavy metals like mercury, lead and zinc. In the Chaliyar, high levels of mercury have been deposited in the Beypore delta. Mercury compounds may be used as fungicide in wood-based production activities. A study by the Calicut University recorded high levels of mercury and lead in river waters downstream of the factory.

Opinions remain sharply divided on the efficacy of the abatement technologies and the ultimate safety of rivers. Only a carefully prepared Environment Impact Assessment can say for sure. Negligence, mismatched capacities (between effluents generated and treatment ability), poor maintenance, bad industrial discipline, frequent breakdown of treatment machinery – all these can result in pollution not getting abated completely. ■



...that area broke a ... at ... this polluted the water used by the factory, forcing it to close down. A year later, the pipeline was constructed. Periodic leaks from the pipelines damaged crop and polluted ponds and wells. In 1991 there was another pipe burst at Kayalam. A few persons, who inhaled noxious fumes from the broken pipeline, were hospitalised.

On June 23, 1995, a crisis erupted with the death of three factory workers who inhaled hydrogen sulphide while repairing a valve on the effluent pipeline. An expert panel was set up on August 22 to examine the pollution problem of Grasim Industries. When the panel visited the factory, it faced a three-hour blockade.

Chairman of the State Pollution Control Board (PCB) J. Venugopalan said he would take immediate measures to prevent pollution. On September 1, the PCB filed a case against Grasim Industries, seeking restriction on the effluent discharge from the factory. The court restrained the company from discharging effluents till it conformed to PCB norms. After the court restraint, it is believed the company was adopting diversionary tactics.

A monitoring committee, with the Revenue Divisional Officer, Kozhikode, and some NGOs, as members, feels that monitoring equipment was inadequate to exhaustively measure air and water pollution.

A fast unto death in 1988 by A. Vasu, formerly of the Communist Party of India (Marxist-Leninist) and a Grasim Industries union leader, forced the Government to reach an agreement for reopening the factory, which was closed for nearly two-and-a-half years following labour problems.

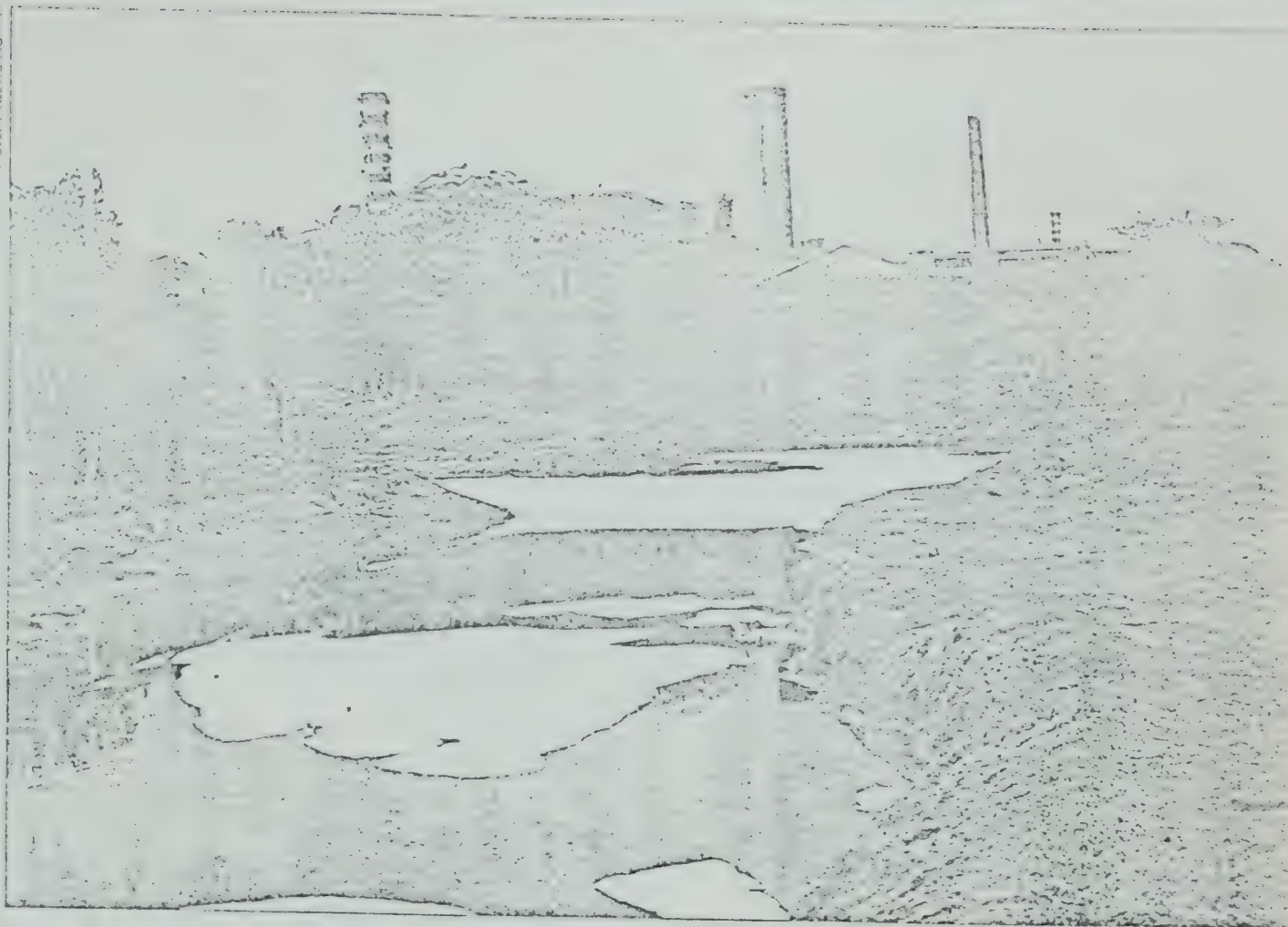
Today, Vasu acknowledges the suffering of tribals of Nilambur where bamboo forests were depleted to meet Grasim's raw material requirements. He explains that he wants the factory to reopen because workers and their

families were starving and a few had committed suicide.

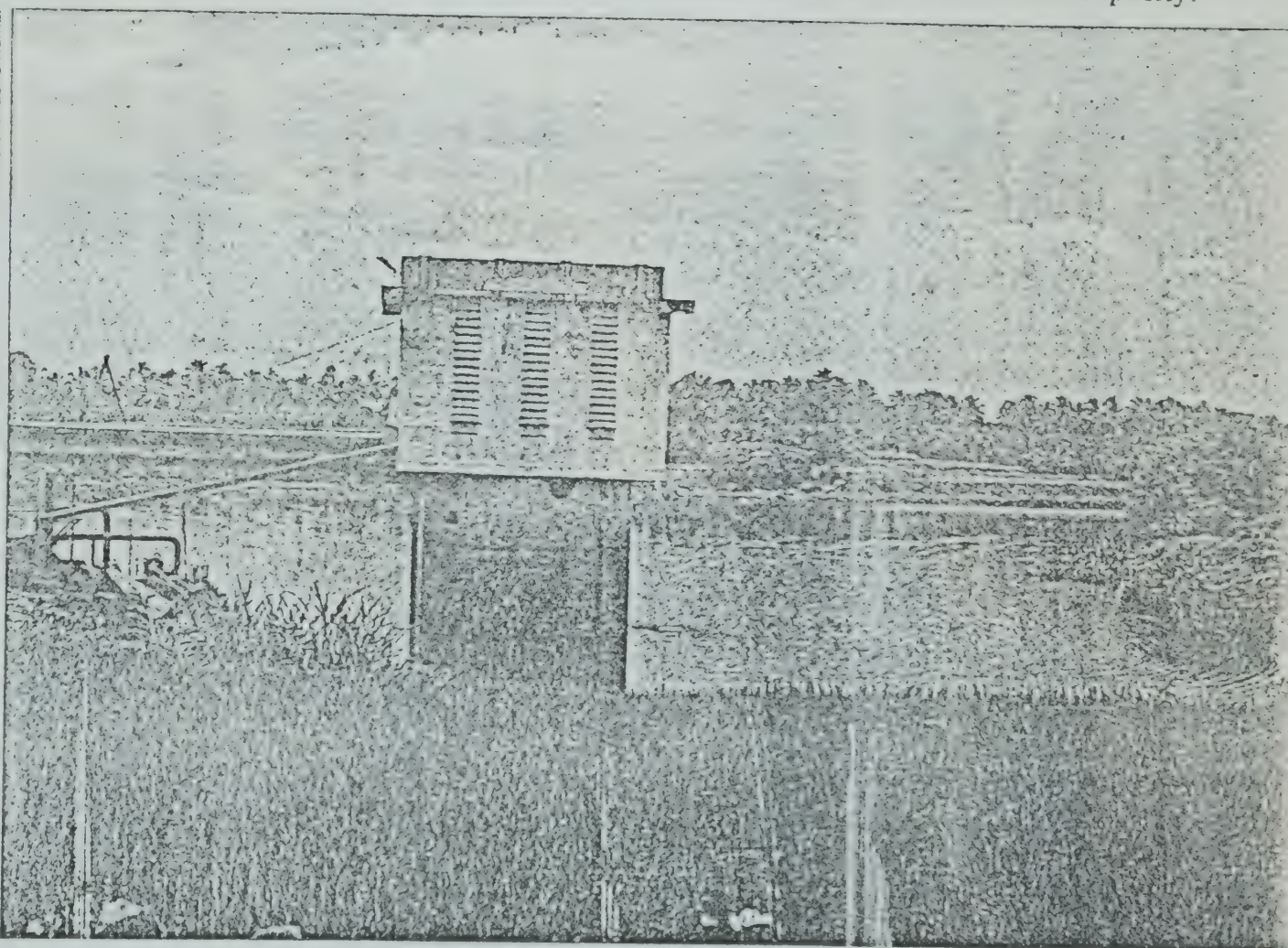
Dr. Unnikrishnan Nambeesan, an environmentalist in Kozhikode, retorts, "If the livelihood of nearly 4,000 workers is important, is it not equally important that a much greater number have been marginalised and robbed of a livelihood? I am talking about the people who are unable to fish in the Chaliyar, women unable to collect shells, tribals who have lost their liveli-

hood as bamboo forests disappeared, and scores of others." The organised sector somehow finds representation but the unorganised sector suffers in silence, he adds.

The environmental and social costs of producing rayon are so high that Nambeesan unequivocally advocates closure as the only just move. The factory draws 68 million litres of water daily free of cost whereas the Kozhikode Corporation draws 45 mld,



Effluents from SIV Industries polluting the Bhavani; (below) the company draws 55 million litres a day from the river, and its production scale exceeds its effluent treatment capacity.





for the use of which we have to pay, he says.

According to Nambeesan, the Government, under pressure to reopen the factory in 1988, agreed to give 2 lakh tonnes of bamboo as raw material at Rs. 250 a tonne (the market price is more than Rs. 1,100 a tonne) and water free of cost. "What right has the Government to squander away these precious resources?" He said if the bamboo was sold at market rates, it would pay for the rehabilitation of workers in the event of closure. He adds, however, that after closure no more bamboo should be used; instead, alternative eco-friendly employment solutions could be worked out.

Vasu says the company should be permitted to operate for another five years with stringent environmental safeguards, and the time utilised to work out rehabilitation/alternative employment schemes. The workers' interests, he says, should be safeguarded at all costs.

Moidu Vanimel and Lateef Kizhissen, dedicated environmental journalists, echoing the people's sentiments favouring closure, say the company paid only lip service to environmental safeguards.

Grasim Industries executive presi-

dent R. N. Saboo and joint vice-president C. K. Kochu Krishnan assert that pollution was kept within prescribed limits and that what existed was "political pollution" in the neighbouring villages. "Modern agriculture and pesticides are poisonous, several modern ways of living are harmful to the environment, why single us out?" asks Saboo. Viable de-colouring and cleaning technologies do not exist and if there is too much pressure, we will have no choice but to close down, he adds.

In Tamil Nadu, SIV Industries shot into notoriety after a marked increase in production in the mid-1980s resulted in colossal discharge of effluents into the Bhavani. The earliest resentment was expressed by 15,000 weavers of Sirumugai when their open-air hand-sizing activities were affected by the airborne discharge of SIV Industries. Without sizing, there can be no weaving.

People from numerous villages on the Bhavani banks, like Doddampalayam, depend on the river for their drinking water. The argument (put forth by SIV Industries) that the dark colour of the water was only due to lignin, a wood-based substance, was of no solace. People burrowed pits,

which would partially filter out suspended solids, in the river bed.

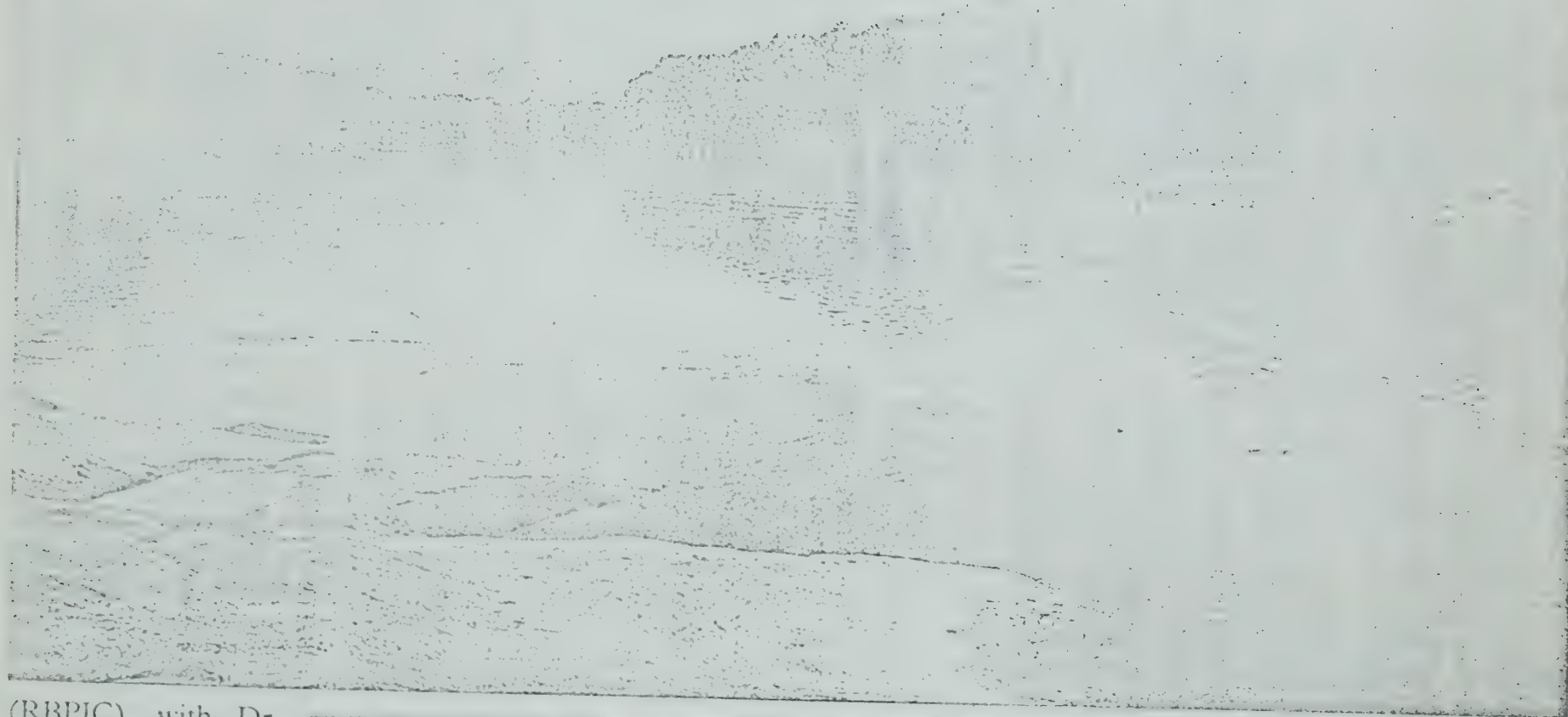
The company was engaged in a production scale that was far in excess of its effluent treatment capacity. It kept adding digesters, from three in the 1970s to seven in the late 1980s (one more in 1992) but was using liquor residue of only three digesters for boiler firing. The residue from the remaining digesters would have gone into the effluent stream. The company is reportedly building a power plant to burn the excess liquor.

In 1987-88, the Rotary Club of Sathyamangalam started addressing the issue of the Bhavani's contamination. The Coimbatore chapter of the Indian National Trust for Art and Cultural Heritage (INTACH) and Dr. Jeevanandam of the Tamil Nadu Green Movement conducted a high-profile seminar and rally to highlight the plight of the villagers. The "Save Bhavani" campaign snowballed into a people's movement. There have been numerous mass-rallies, public meetings and submission of memoranda; also, on May 9, 1994, more than 3,000 villagers staged a day-long fast at the factory gate (*Frontline*, August 12, 1994). All this led to the formation of the River Bhavani Protection Joint Council



Plantations of eucalyptus, a raw material for the pulp industry, are altering the hydrology of the Nilgiris.

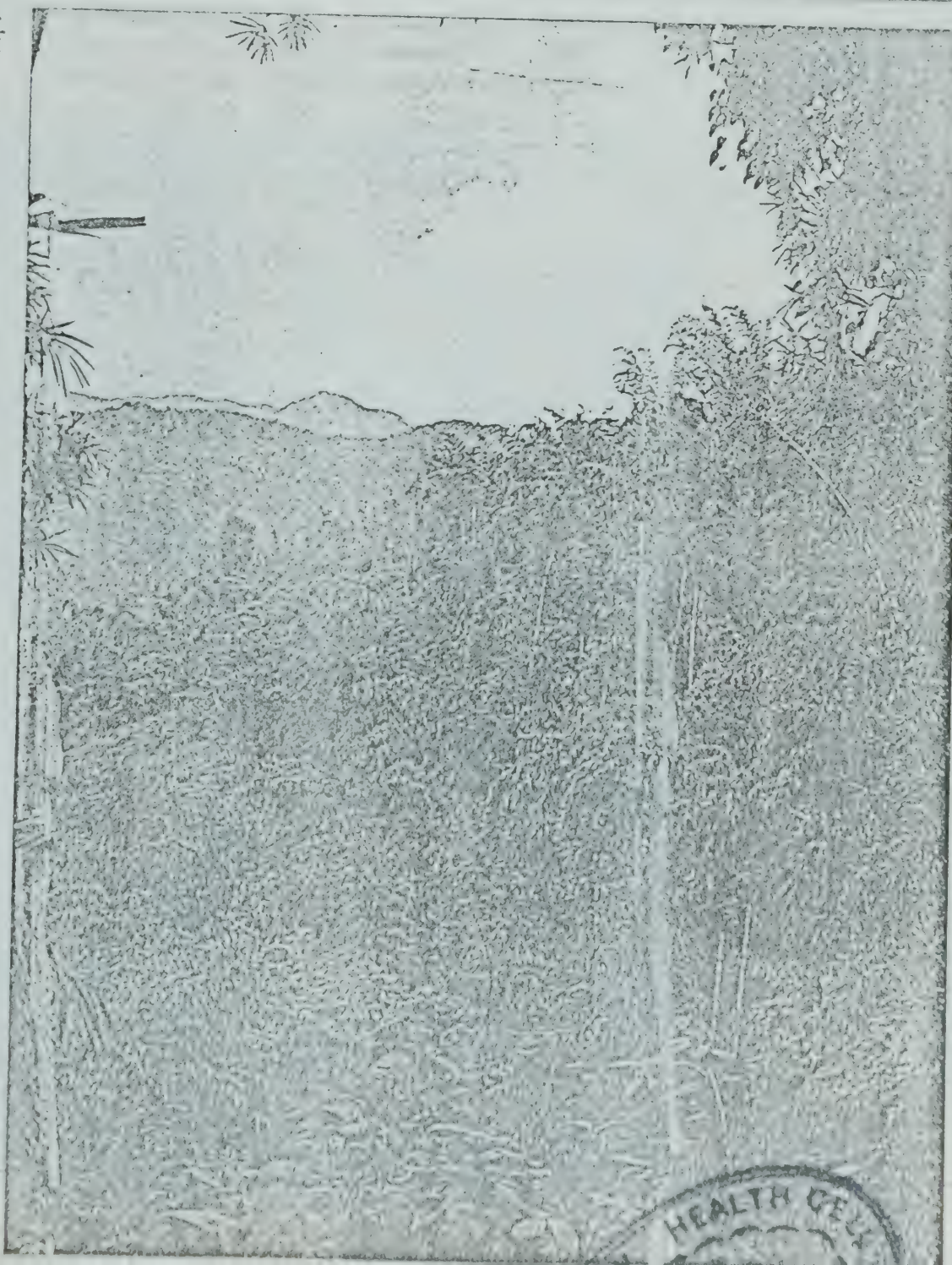




(RBPJC), with Dr. Sathia Sundari of Gobichettipalayam as its president.

The Council made representations to the Central and State Governments. When Sathia Sundari represented the problems to the then Union Minister for Environment Kamal Nath, he indicated that the no-objection certificate for SIV Industries could be withdrawn.

Meanwhile, SIV Industries launched a major public relations exercise before a Rs. 650-crore expansion. To support its case, the company cited its role in employment generation and forex earnings. At a meeting on September 15, 1994, while Keshavmoorthy, the company's managing director, said air pollution would be controlled in the new



Dr. Mayawahanan Emerging from the Western Ghats, the Chaliyar flows through the forests of Nilambur towards Mavoor, where Grasim Industries' highly polluting pulp factory is located; bamboo forests at Nilambur provide the raw material for the industry.

expansion programme and water pollution would be considerably abated, the campaigners insisted that the factory should completely recycle its water if it was so sure that water was being restored to near normalcy. The meeting ended in an impasse.

The RBPJC pointed out that the water of the Bhavani Sagar Dam was becoming coloured and smelly (beyond Sirumugai, the river goes straight into the catchment area of the dam), and fishing operations in the reservoir by the Tamil



CHETAN KRISHNASWAMY  
in Bangalore

FOR the environmentally perceptive residents of Karnataka's verdant coastal district of Dakshina Kannada, it has been a protracted battle against the State Government's myopic policy of industrialisation sans environmental safeguards.

Between December 19 and 25, 1995, the district witnessed a massive agitation, led by the fishing community, against the proposal by the Mangalore Refinery and Petrochemicals Limited (MRPL) to lay an effluent pipeline. In due course, however, the environmental movement degenerated into a battle between rival political groups, climaxing in the murder of a local Bharatiya Janata Party activist. It was only after Chief Minister Deve Gowda yielded to the protesters' demands relating to pollution control and rehabilitation measures to be undertaken by MRPL (see box) that the violence abated. According to S. C. Burman, Additional Director-General of Police, Law and Order, the agitation led to the arrest of 269 persons. The police resorted to firing thrice, injuring two.

The lack of transparency in industrial policy and the indifference to local sentiments while clearing environmentally hazardous projects have alienated



Nadu Fisheries Department had come to a standstill. A power plant at the dam was not functioning. People from 11 villages near Gobichettipalayam had to abandon cultivation (consequent to changes in soil quality after using polluted water?) and take up stone cutting.

On February 10, 1990 the then Chairman of the Tamil Nadu Fisheries Development Corporation wrote to the Tamil Nadu Pollution Control Board (TNPCB) expressing serious concern over the effects of effluents from SIV Industries on the dam and fishing operations. In April, the TNPCB asked the company to adhere strictly to the norms of effluent treatment.

The company's explanation to a TNPCB show-cause notice issued later was not found satisfactory. On May 9, 1995, (exactly a year after the protest fast) the TNPCB ordered the closure of the pulp plant.

The company moved the High Court and obtained a stay and production was resumed in 28 hours. TNPCB filed its case and the Council impleaded in it as an affected party. Environmentalists hailed the TNPCB action.

An all-party platform broadened the anti-pollution campaign to include all existing and proposed industrial units on Bhavani's banks. Tiruppur, a river basin of the Noyyal, another tributary of the Cauvery, is being supplied drinking water from the Bhavani. Jeevanandam pointed out that the Noyyal is a dead river because of pollution by textile processing units. Several industries (paper and textile, mostly), which have obtained licences with their plans of huge drawals from the Bhavani, are now in a dilemma.

The Kongu Nadu Arts College, Coimbatore, carried out a scientific investigation of the water quality of the Bhavani with samples taken from different points along the river. It showed extensive pollution all along the river. The presence of zinc and copper, compounds of which are used in pulp manufacture, were detected. This investigation revealed a high level of solid particle suspension and also an alarming level of fish mortality.

On September 28, 1995 the Madras High Court quashed the TNPCB order for the closure of the pulp plant, stating that the company should be asked to undertake pollution control measures.

The company, while replying to the show-cause notice on August 11, mentioned that its effluent treatment facility would be completed by August. Villagers nearby say that in September when a pond was cleaned, dead fish were seen.

The court verdict disappointed the environmentalists, and TNPCB officials say the company had not fulfilled conditions laid five years earlier.

Basu, vice-president, operations, SIV Industries, elaborating on his company's commitment in the new expansion phase, said nearly Rs. 52 crores would be spent on effluent treatment systems. Some of the latest technologies like oxygen activated sludge plant (OASP), for reducing BOD (biological oxygen demand), and membrane technology for colour removal (pilot plant trials are on) are to be installed. He said that heavy metals in effluents were within safe limits.

Grasim Industries and SIV Industries produce about 180 tonnes of pulp a day (annual turnover of about Rs. 600 crores). This means that roughly 630 tonnes of wood are required every day. Taking bamboo from the forests for Grasim Industries is a grave error. Studies have shown that pulling away bamboos affects the entire ecology.

Watching lorries carry bamboos to Grasim Industries, Sathia Sundari recalled how 20 years ago the rich bamboo forests of Sathyamangalam were cleared to generate raw material for the Seshasayee Paper Mills, located at Pallipalayam, beyond the Bhavani's confluence with the Cauvery.

Elangovan and Mohanraj of the Nilgiri Wildlife and Environment Association, who took part in the protest fast on May 9, 1994, said the hydrology of the hill eco-system had been affected by growing exotic pulpwood trees.

Vijayaraghavan, a former IAS officer, now a senior member of the Palani Hills Conservation Council, Kodaikanal (PHCC of the Hotel Pleasant Stay case fame), explained that sanction for SIV Industries' expansion plans was accorded subject to raw material being sourced through imports. In Kodaikanal, extensive planting of eucalyptus had taken a heavy toll, he said.

A. Bhoopathy of the Nilgiris Regional Council of the Tamil Nadu Green Movement suggested that wood from the exotic plantations should meet the fuel needs of the hill people. Otherwise, the last of the shola forests, along with life-giving water sources, would disappear. There are 14,000 hectares of exotic plantations in the Nilgiris and these are poor water conservation alternatives (*Frontline*, August 12, 1994).

Life-sustaining natural wealth should not be sacrificed in the name of global integration and an open economy. ■



# Greens up in arms

*In Karnataka, against polluting industries*

the local people. Over the last two years, public resentment piled up slowly until, for the first time in the history of the State, there emerged a united movement to defend the district's environmental and economic interests from unrestrained industrialisation. The Consumers' Forum (Basra), the Dakshina Kannada Fishermen's Environment Protection Committee and numerous environmentally concerned groups united under the Dakshina Kannada Parisarasaktha Okkuta (Dakshina Kannada Environmental Federation).

Dr. Ravindranath Shanbagh, trustee of the Consumers' Forum and a Professor at Kasturba Medical College, Manipal, says: "Our main handicap while launching the movement was that we were unaware of the kind of industries that were coming up and the kind of pollution they would cause. Our first victory was when we were able to convince the Government

last year, through numerous meetings, to relocate the highly polluting multi-crore copper smelting project proposed by Indo-Gulf Fertilizers. From now on, all our arguments will be based on irrefutable scientific data."

The district, which has a population of 26.9 lakhs, is wedged between the Western Ghats on the east and the Arabian Sea on the west. Twenty-two rivers originating in the Western Ghats have short courses through the district into the sea. The major rivers – the Nethravathi, the Gulpur, the Gangolli, the Sitanadi and the Swarnanadi – experience seasonal variations in their flow with relatively short courses. Six river estuaries are considered important for ecological and biological growth. The district has five types of forests, spread across two wildlife sanctuaries and the Kudremukh National Park.

The Western Ghats in the district has a rich variety of plants and animals.

Of the 480 species of medicinal plants and over 180 species of edible plants, a few are endemic. Large mammals such as the Indian gaur, sambar, chital, and the Malabar civet are found here. About 250 lion-tailed macaques – or half the estimated population of the endangered species – exist here.

The Konkan railway project linking Mangalore with Bombay, the expansion of the New Mangalore port, the proposed construction of the 1,000-MW Cogentrix thermal power plant to the north of Mangalore near Padubidiri, and the proposed expansion and upgradation of the Mangalore airport to an international airport, have all spurred industrial activity in the district. The opening of the port in 1976, apart from paving the way for large and small-scale industries, led to the establishment of Kudremukh Iron Ore Company Limited (KIOCL) and Mangalore Chemicals and Fertilizers (MCF). The district has 269 small-scale industries with a capital investment of Rs.311 crores; these employ 1,13,178 people. There are also 29 medium and large-scale industries with a total capital investment of Rs.705 crores and employing 5,363 people.

Seven mega projects, all with captive power generation plants and cleared by the previous and the present Karnataka governments, are in various stages of implementation. They are to be located to the east and north-east of the Baikampady industrial area due to its proximity to the port and the Konkan rail route. T. Subbaya Shetty, president of the Kanara Chamber of Commerce and Industry, says: "Initially we were eager to have these mega projects. But, now we realise that they will in no way add to the economic growth of this region. The type of projects envisaged are not conducive to promoting ancillary projects or other downstream industries or creating employment generation."

The locals say these industries will have a debilitating effect on the district's rich environment and the already fragile infrastructure. For one, these industries will have to compete with urban areas for the limited supplies of fresh water, particularly during the dry months. The industries plan to

A rally in Mangalore to protest against environmentally hazardous projects.





# The 'crisis issue'

CHETAN KRISHNASWAMY

## “ENVIRONMENTALISTS...

In Dakshina Kannada are minor problems.” So ran a statement by Karnataka's Minister for Environment P. C. Siddanagoudar in the November 30, 1995 issue of the magazine *Down to Earth*. Within a month, the environmental movement in the district became yet another “crisis issue” to the ruling Janata Dal.

Since the middle of 1995, the fishing community of Dakshina Kannada had been protesting against a proposal by the Mangalore Refinery and Petrochemicals Limited (MRPL) to discharge its effluents into the sea by a 9-km pipeline. District Collector Bharathlal Meena's September 20 order to MRPL to dismantle the Chitrapur-Kulai stretch of the pipeline spelt a “moral victory” to the fishermen. Further appeasement came on December 16 at Udupi when Chief Minister H. D. Deve Gowda assured their representatives that a 10-point resolution to protect the interests of the local people from large industrial ventures would be implemented.

The next day, Fisheries Minister K. Jayaprakash Hegde announced that a section of the fishing community had agreed with the Chief Minister to allow MRPL to lay the pipeline. “This was a blatant lie because the pipeline issue was never discussed during the Chief Minister's visit,” says Ravindranath Shanbagh, Trustee, Consumers' Forum (Basrur).

Soon after, the agitation broke out in Dakshina Kannada with fishermen

observing a “no fishing day” on December 21. Sensing the mood of the protesters, Deve Gowda convened a meeting with the fishermen's representatives and a few others in Bangalore.

“After a heated exchange, the Chief Minister conceded our demands,” says Dayanath Kotian, general secretary, Dakshina Kannada Fishermen's Environment Protection Committee.

Among other things, the demands included removal of a 1-km stretch of pipeline encroaching on the Chitrapur fisheries road and installation of a recycling plant by MRPL. Environmentalists want MRPL to use its treated effluents for agricultural purposes for nine months a year and release them into the sea through a pipeline (with a 1-km stretch of open channel to facilitate monitoring of the effluents) only during the three-month monsoon period.

The demands also included provision of job to one member of every displaced family, with every mega industry venturing into the district earmarking one per cent of its project cost for the development of the district. The Government also agreed to a land audit system to assess and grant the land requirement of each industry and to have a judicial inquiry into the police firing during the agitation.

MRPL, which will be the first mega industry to go into production this year, has launched an ad-blitz in the local press to “clarify all misgivings on the project”. V. K. Talithaya, vice-president, personnel and administration, counters the doubts of the local residents thus: “Of over 1,200

million cubic metres of water flowing through the Nethravathi, our annual consumption is only 0.06 per cent. MRPL has built its own weir to store this water at Sarapady during summer. Moreover, if Mangalore's water supply suffers, we are obliged by agreement with the Government to release water from the weir.” On the issue of employment for locals, he said that of the 500 sanctioned posts, 252 employees on MRPL's rolls were from Karnataka, of which 218 were from the district. “How many more can I take? In a project like this, technical competence of the personnel recruited also has to be seen,” he says.

According to Talithaya, MRPL will treat all of its effluents and utilise about 25 per cent of these to irrigate its green belt where over a lakh of trees have been planted. “We have contacted the best companies to find a method to recycle our effluents hundred per cent, but this is a technology which has still not evolved fully,” he says.

On the demand for a 1-km open channel stretch along the pipeline, he says, “When the effluents are flowing at a certain pressure along the pipeline, an open channel in one stretch will cut down the flow pressure and the rest of the distance cannot be covered. It will probably require another pumphouse to sustain the pressure. And this particular stretch has no power availability.”

Talithaya quoted from a National Institute of Oceanography report which “after an elaborate study recommended the sea outfall point at Chitrapur, Kulai, at 900 metres into the sea at a depth of 6.5 metres below the water bed, so that there is no adverse impact on the marine life, including the micro-organisms.”

draw water mainly from the Nethravathi. Nagarajuna Steel will require more than 10 mgd (million gallons a day) of fresh water, Grasim 4.5 mgd, and MRPL 5 mgd.

Initially, these industries planned to obtain water from the Karnataka Power Corporation's (KPC) proposed multi-purpose reservoir on the Nethravathi at Sarapadi, located 40 km away. Says an official of the Karnataka Urban Water Supply and Drainage Board (KUWSDB): “Certain reasons have delayed the KPC project. The existing KUWSDB water supply scheme at Thumbe (about 13 km downstream from Sarapadi) cannot satisfy the needs of these industries,

which will have to rely on an alternative source.”

All the seven mega projects fall under the “environmentally polluting industries” category. The Union Department of Industrial Development lists 20 industries under this.

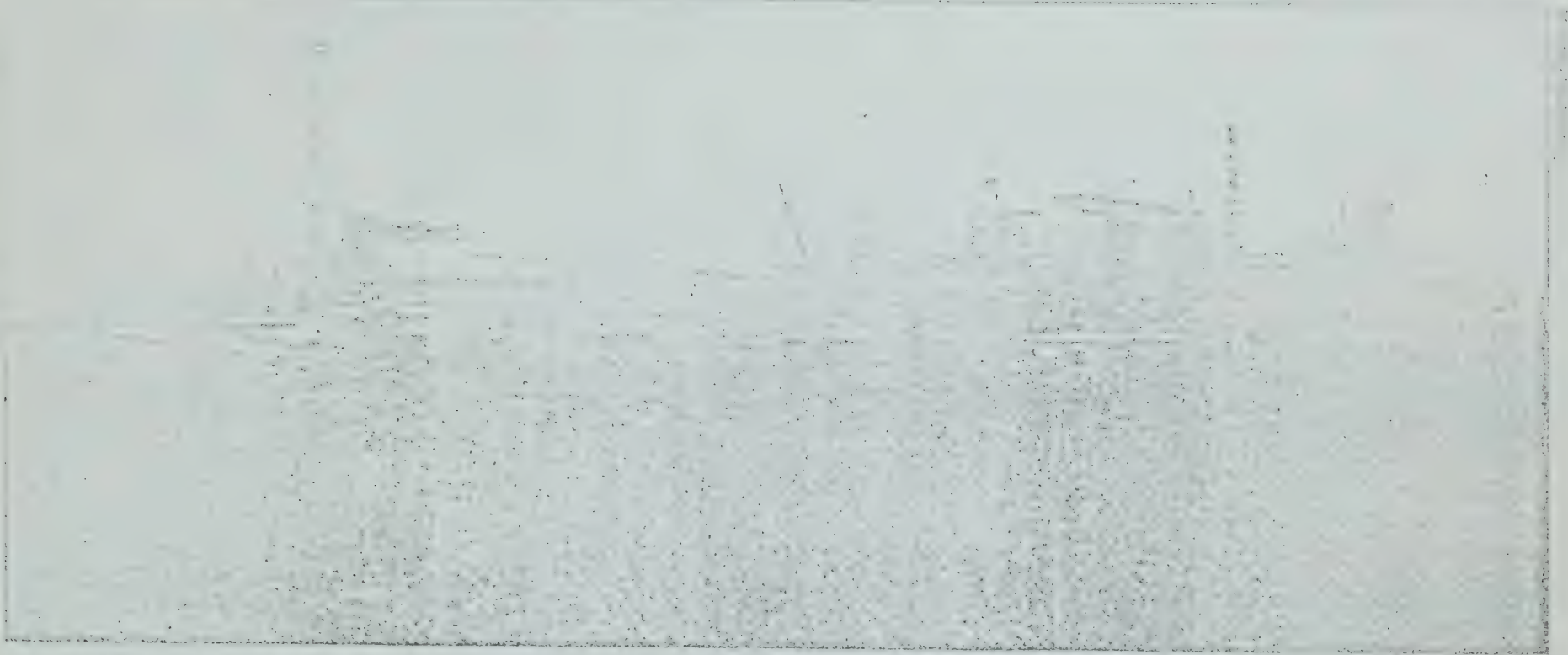
The August 1985 Environmental Guidelines for Siting Industries, formulated by the Ministry of Environment and Forests, outlines certain factors to be considered before locating such industries. Section 2.2 says, “In siting industries, care should be taken to minimise the adverse impact of the industries on the immediate neighbourhood as well as distant

places. Some of the natural life sustaining systems and some specific land uses are sensitive to industrial impacts...”

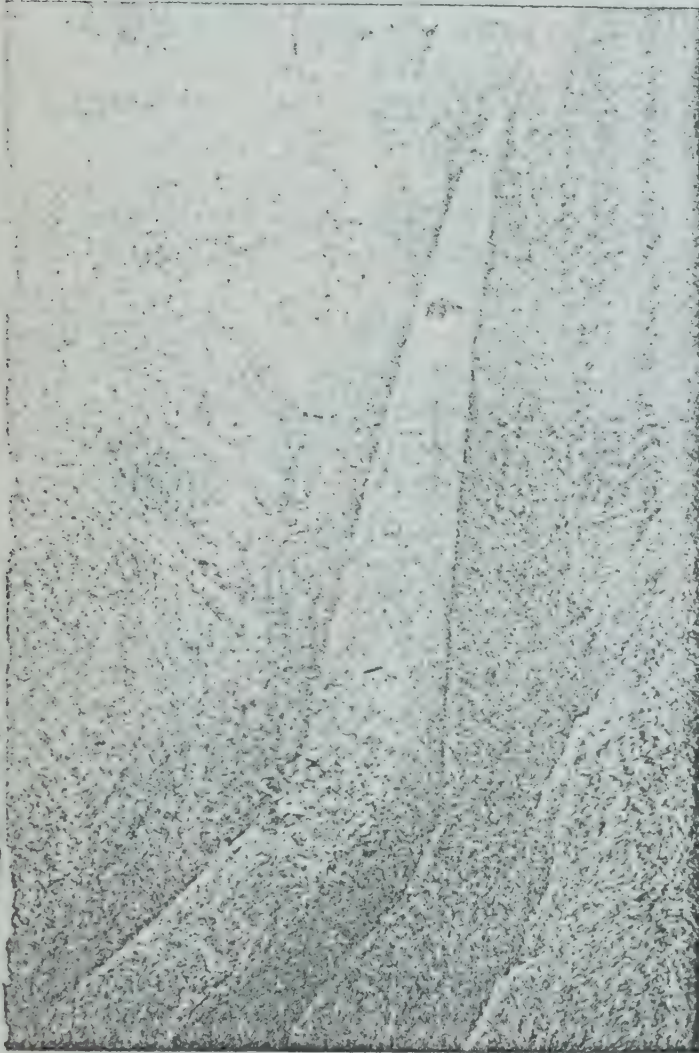
Section 2.2(c) of the Guidelines recommends that new large-scale polluting industries should be located 25 km away from the projected 10-year growth boundary of a major settlement (population greater than 3 lakhs). But the environmental strictures are obviously inconsequential to the Karnataka Government: the Gulpur estuary and Mangalore city are located within a 25 km radius of these mega industries.

The effluents from steel refineries and chemical plants contain traces of oil and grease, ammonia,





The MRPL plant, whose plan to discharge effluents into the sea by a pipeline has led to an agitation.



ANNU



(Left and above) Stretches of the MRPL pipeline damaged by fishermen.

nols, cyanide, sulphides, heavy metals and stable organics. H. C. Sharatchandra, former Additional Secretary, Department of Science and Technology and Ecology and Environment, Karnataka, warns: "Toxic substances and heavy metals when disposed of on the land can seep into the groundwater and eventually surface water (the water-holding capacity of local soils is low and the percolation rates are high in this region) either directly poisoning the aquatic ecosystem or upsetting the food chain balance. Even treated effluent discharged into the ocean may cause similar effects."

The traditional industrial base of

Dakshina Kannada, confined to fisheries and agriculture, is facing the threat of being marginalised by the behemoths. In the next decade the Government has envisaged an outlay of Rs.24,800 crore for the industrial development of this district. Industries are located close to the estuaries, tidal wetlands and mangrove areas, which are the breeding grounds and nurseries for fish, prawns and several types of aquatic plants and plankton. The growth of the fishing industry in the district is largely dependent on these habitats.

The district's fishing industry accounts for about 72 per cent of Karnataka's total marine fish produc-

tion with nearly four lakh people depending on it for their livelihood. Annual fish landings have increased from 63,472 tonnes in 1976-77 to 1,40,600 tonnes in 1994-95. But of late there has been a declining trend in the yield, mainly owing to environmental factors and over-exploitation. The KIOCL's pelletisation plant, the numerous fish processing units, ship-breaking (which has now been banned), and oil pollution at the port, have all badly affected the marine environment.

To the south of the New Mangalore port, KIOCL discharges 1.6 mcm (million cubic metres) of waste through an ocean outfall. Most of the



proposed industries will discharge their effluent in large quantities mainly through marine outfalls. "The Cogentrix power project," according to A. N. Yellappa Reddy, former Special Secretary, Environment, Department of Forest, Energy and Environment, "will be the most hazardous, with the temperature of its liquid discharge being nearly five degrees higher than the ambient temperature, resulting in depleted oxygen levels and increased toxicity." Yellappa Reddy was forced to quit on the issue of his opposition to the Cogentrix project.

The acquisition of over 2,000 hectares by the seven mega industries has led to widespread discontent among the displaced residents. Agricultural land has been reclassified and the local development plan modified to facilitate the conversion. The displacement of these land owners and the disparity in the rehabilitation packages offered by different industries have only accentuated hostilities.

On December 21, nearly 500 residents of Baikampady, Thokooru, Kenjar and adjoining villages gheraoed the Karnataka Industrial Area Development Board (KIADB) in Mangalore, protesting against alleged large-scale irregularities in land acquisition by the Nagarjuna Steel plant. On the same day, the Karnataka High Court stayed the land acquisition.

On January 22, the heads of the Udupi Ashtamaths decided to join the struggle to "save Dakshina Kannada district". The decision came in the wake of land acquisition measures by Nagarjuna Fertilizers and Chemicals Ltd for its proposed Rs.3,900-crore, 1,000-MW thermal project. At least two maths, the Palimar and the Admaar, are located on land that would be acquired. The Nagarjuna Steel plant near Thokooru will affect the Pejavar Math the same way.



Fisheries in Dakshina Kannada account for 72 per cent of the State's total marine fish production, but the yield has been falling due to environmental degradation.

Mega projects coming up in Dakshina Kannada district (2000-2005)				
Name of the company	End product	Investment (in Rs. crore)	Employment	Land (acre)
Nagarjuna Fertilizers	2 MTPA Integrated steel plant	4,000	820	1,400
Canara Steels Ltd.	Steel plant (0.3 MTPA)	1,200	250	200
Mangalore Refinery and Petrochemicals *	3 million tonne oil refinery (upgraded to 9 MTPA)	2,090	600	2,233.94
Kudremukh Iron Ore Company Ltd.	Pig Iron (2 LTPA) & ductile iron spun pipe (0.5 LTPA)	249	378	143.51
BASF India Ltd.	Dyes and chemicals (9800 TPA)	103	136	182.15
Grasim Industries	Paraxylene (2.5 LTPA) PTA (3.5 LTPA)	2,325	500	450.00
Usha Iron & Ferro metals Corp. Ltd.	2 MTPA integrated steel plant	4,600	7,000	842.38
Total		14,767	9,684	5,451.98

\* MRPL will invest another Rs. 1,800 crores when it trebles its capacity.

MTPA : million tonnes per annum LTPA : lakh tonnes per annum TPA : tonnes per annum

Bashir Baikampady, convener of the Agitation Committee, said: "Some persons are producing fake records of tenancy and cultivation (RTC) and getting cash compensation in connivance with KIADB officials and with the company's tacit support. The real land owners are not even aware that

Mangalore taluk will be transformed into an industrial corridor.

On September 22, Environment Minister P. C. Siddanagouda informed the Assembly that the "interventions" suggested by the report would be "implemented at the earliest". How early is the question. ■

their property is being acquired." District Collector Bharathlal Meena was non-committal, but promised an inquiry if such acts were brought to his notice.

According to the local residents, land, for which MRPL has paid between Rs.3.60 lakhs and Rs.4 lakhs an acre, is being acquired by Nagarjuna Steel at rates as low as Rs.2.15 lakhs. The village accountants and revenue inspectors have at times even resorted to coercion to acquire land, they say. "Earlier the D.C. had promised to get us the rates as quoted by MRPL. The Government should come out with a company-specific rehabilitation package by fixing clearly the prices of each piece of property acquired," says K. Gopal Shetty, of the Kenjar village panchayat, who stands to lose three acres of fertile land.

In 1989, the Central Government requested the Danish Government to assist Karnataka in preparing an Environment Management Plan (EMP) for Dakshina Kannada district. Its projections are grim. The Environmental Master Plan Study, submitted to the Government in January 1995, says that by the year 2002 the polluting air emissions from large-scale industries in the district may increase by a factor of nine, with the threat of acid rain a distinct possibility; wastewater discharges may increase by a factor of four; generation of industrial solid and hazardous waste may increase by about 14 million tonnes a year. Freshwater demand will increase from 13 mgd to about 53 mgd. About 2,000 ha of picturesque rural land and hillocks in



# Bahuguna call to observe 'save rivers' day

From Our Staff Reporter

MADRAS, Jan. 12.

Mr. Sunder Lal Bahuguna, environmentalist, has given a call for observing January 14 as a 'Save Rivers and Save Ganga' day to highlight the condition of the nation's water sources.

Addressing presspersons here on Thursday, Mr. Bahuguna said the people should be enlightened on the deterioration of water resources which were being exploited in the name of 'development'.

He appealed to citizens to organise mass meetings and dharnas, to stop activities further detrimental to water resources, to raise the issue during elections and question political parties about their stand on water sources protection, prevention of pollution of waterways, construction of dams and revival of traditional water management and harvesting systems.

The present river water dispute between Tamil Nadu and Karnataka was a sequel to the change from the traditional systems of irrigation followed earlier. Deforestation and construction of dams, had resulted in a drastic change in the ecological balance. Inundation and removal of the natural forestry over catchment areas was the main cause for recurring water problems.

Mr. Bahuguna was extremely critical of the

present system of water flow through canals and said the basic cause of many problems was siltation. Rivers today had become polluted by industrial effluents and city sewage. Rivers, ponds, lakes and oceans had become waste dumps. As a result, water which is a life-giving commodity, had become 'poison'. Water would soon turn into a major issue of conflict among nations and humankind was heading for a water-famine.

The Ganga was the worst victim of aggressive development. The once acclaimed medicinal values in river water had disappeared, and at places it was not even fit for bathing. Recent scientific studies revealed that the recession rate of the Gangotri Glacier had suddenly gone up to 200 metres per year, compared to 7.31 metres the last century and 10 metres in 1990. This in effect would, mean that there might not be a river in another 100 years and the causative factor was the presence of several 'dhabas' (small restaurants) for tourists at Gaumukh.

On the Tehri dam construction over the Bhagirathi, in the highly seismic zone of the Himalayas, he said people's opposition and scientists' warnings had not been heeded and the Government's promise to review the implications of the project was yet to be fulfilled.

Earlier, addressing a group of school children at 'Parampara', an organisation for promoting

the greatness of the country's culture, here, Mr. Bahuguna said while the country's tradition was to respect and worship all living creatures and nature, the on-going developmental programmes were destroying it. Many saints had seen God in nature but the country was now invaded by a civilisation which considered nature a commodity and assumed that community comprised only human beings.

Because of over-exploitation of natural resources, "we will leave behind a desert though we were born in greenfields", he said.

The Himalayas were facing danger from deforestation, mining and damming of rivers. Besides, the scenic beauty of Himalayas was being damaged. Many invaluable trees were uprooted and in the name of afforestation, and only trees of commercial use planted. Mining in the Himalayas had resulted in water streams drying up.

Mr. V. R. Krishna Iyer, former Supreme Court judge, condemned the "rape" of the rivers and 'homicide' of the Himalayas. He charged that the rule of the dollar was at its peak and 'we are worshippers of the dollar'. He questioned the propriety of the Tamil Nadu Government agreeing to supply one million gallons of water a day for the DuPont Nylon 6.6 project at Gummidipoondi.

THE HINDU.

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## Panel to inspect Karnataka reservoirs

From Our Special Correspondent

BANGALORE, Jan. 12.

Engineers of the Central Water Commission (CWC) would be making a study of the availability of water in the four major reservoirs in Karnataka — the KRS, Kabini, Harangi and Hemavathi — in the next two days at the instance of the expert panel which made an assessment of the crop condition in the Cauvery basin in both Karnataka and Tamil Nadu earlier this week, according to official sources.

Mr. Kailasnath, a Superintending Engineer and another engineer of the Central Water Commission had already left for verifying the storage levels in the four reservoirs, official sources said.

The expert panel headed by Dr. Y. K. Alagh which was expected to submit its report on January 10, has decided to have the water availability verified. The report is now likely to be submitted after the officials apprise the panel of the storage position in both the States.

It may be recalled that Karnataka, in its memorandum to the expert team, had taken the stand that the total requirement of the systems depending on Mettur releases and also on Bhavani reservoirs in Tamil Nadu was about 26.7 tmcft. The total supply of water available to Tamil Nadu was 41 tmcft apart from the unknown quantity of water stored in over a dozen barrages and anicuts below the Mettur reservoir. If the groundwater available in the delta, which was being extracted, was also taken into consideration, Tamil Nadu was in a very comfortable position and did not require any additional release from Karnataka for its planned crops.

The memorandum had also pointed out that the available storage for effective use in Karnataka as on January 1, 1996, was about 44.6 tmcft. The State's requirement for the standing

sugarcane and paddy crops, water supply, power releases and for the irrigation of obligatory and customary summer crops came to 78.47 tmcft. The storage in Karnataka would be inadequate, the shortage being 34 tmcft to meet its own requirement. The Karnataka Chief Minister, Mr. H. D. Deve Gowda, who left for Delhi on January 9 is still there.

### Tungabhadra water release from today

From Our Special Correspondent

BANGALORE, Jan. 12.

Two tmcft of water — one tmcft each from the quotas of Karnataka and Andhra Pradesh — would be released from Tungabhadra Dam from Saturday to save the standing crops in the command area of the right bank high level canal of the Tungabhadra project.

The Tungabhadra Board, which met here on Friday, took a decision to this effect. According to official sources, two tmcft of water had been found by effecting some savings. One tmcft of water to be left was to be released from the Karnataka's own quota and similarly one tmcft of water was to be released from Andhra's own quota for the crops in that State. The water would be released for 10 days.

The Board, which had a marathon meeting, on the demand of farmers of Bellary and Siruguppa taluks of Bellary districts for release of Tungabhadra water to save the standing crop, could not reach any decision.

The farmers of Bellary had been agitating for the past four days demanding release of water to save the standing crops in Bellary and Siruguppa taluks of Bellary district served by the high level right bank canal of Tungabhadra project.



# A project that defeats the purpose

From Alladi Jayasri

BANGALORE, Jan. 14.

Barely has the dust settled on the furore over 'scientific felling' of trees in reserved forest areas which had snowballed into a major controversy last year, when the Forest Department has come up with another experiment that has shocked environmental scientists, the tribal community and certain quarters in the department itself.

Sources in the department, in fact, are shocked over the speed with which the 'early burning' project has been launched at the Bandipur wildlife sanctuary. 'Early burning' entails setting fire to dry shrubs and grass at selected



## Green Watch

spots close to the roads snaking their way through the forest interiors, as a pre-emptive measure against natural forest fires occurring in summer.

A Forest Department official remarked, 'this can only mean that some other nefarious activity, such as illegal timber logging, and smuggling is being covered up to escape detection.'

According to him, the department is generally languorous in adapting innovative advances in the science of forest management. 'Research scientists and NGOs usually gear themselves up to a long-drawn out battle with officialise and red tapism, so who could have sold this new idea of early burning to the department, and had it implemented so speedily' he asked.

Environmentalists point out that early burning makes good business sense only in plantation areas where forestry is a commercial activity.

A former forest official and now an environmentalist at the Nagarhole Wildlife Sanctuary, Mr. K. M. Chinnappa, who has seen the ravaged remains of the 'early burning' inflicted on the forests a few days ago, is pained at the thoughtlessness of it all. "Precious life forms that keep the fragile ecological balance have been destroyed, and the forest's capacity for regeneration has been further retarded," he said.

### 'Rendered homeless'

According to Mr. Praveen Bhargav, of 'Wildlife

First!', while early burning (in December or January) is considered safe, and ensures that the fire does not spread, this happens to be a season for many non-migratory birds to nest and reproduce. Early burning destroys the already scarce food source such as fruits. Many reptiles and amphibians, and low-flight birds that live in shrubs are rendered suddenly homeless, he points out.

Mr. Chinnappa asks, "What is the point of starting a fire deliberately and destroying precious forest wealth?" Assisted forestry, according to him, has been conveniently distorted to suit those engaged in destroying precious natural wealth for filthy lucre.

Assisted forestry, he says, is literally assisting dying forests to make them cope with the pressures of development which has shrunk their expanse to allow concrete jungles to come up. "When are we going to realise that forests are vital for our own survival, and when forests die, we die too?" he says.

Even in the matter of scientific timber-log-

ging, Forest Department sources say, the fact that nature has its own system of regeneration and everything in nature has a purpose, had been grossly overlooked. "It is clear to any nature-loving human being that logging of deadwood is only a cover for carting away precious timber to places where there is a great demand for it," an official says.

Only when scientists including Prof. Madhav Gadgil of the Indian Institute of Science, had come out strongly and pointed out that deadwood is "far from dead," actually supporting an amazing variety of lifeforms, which helps in the slow process of fossilising the wood and eons later returns to serve humans as fuel, has the idea been dropped.

The early burning experiment, which has been conducted when the Chief Wildlife Warden, Mr. Jagjit Lamba, is away in Delhi, Mr. Chinnappa fears, will be abandoned only after irreparable damage has been done.

THE HINDU, JAN. 4/96



# Conserving the new chequer-board

HABITAT FRAGMENTATION/MUDUMALAI

By Arun Venkataraman

Chemmanatham, situated on the eastern border of the Mudumalai sanctuary, is a small cattle *patti* (pen) nestled within rolling undulations which gently rise up to the northern escarpment of the Nilgiri plateau. Till two years ago, Chemmanatham had not changed much since the turn of the century. Hosting probably 2000 cattle and around 50 Irula families, this hamlet constituted a tiny dot of humanity in pristine scrub-land wilderness.

The perennial Sigur river, flowing 500 metres away from the *patti*, attracts a majority of the area's elephants. Human activity comes to a halt at dusk when these pachyderms reign over the jungle. Carnic killing by the area's predators which include the tiger, the leopard and the Asiatic wild dog is a common occurrence here and the natives shrug it off as nature's vagaries.

Ecologically, the scrub-jungle around Chemmanatham is critical. It forms a major wildlife corridor between the dry deciduous forests of the Mudumalai wildlife sanctuary and the arid scrub-jungle of the Sigur reserve forest. To most people, the term 'scrub-jungle' conjures up images of hot, dry wastelands unfit for man and beast. In stark contrast is the opinion of many others that this kind of jungle bears a rich diversity.

The scrub-jungles of the Sigur area contain a host of rocky outcrops and ravines, excellent breeding and resting sites for animals such as the sloth bear, the striped hyena, the wild dog and the leopard. Secondly, many fruiting trees also thrive here. For instance, some *Zizypus* species found here predominantly offer nutritious berries to many bird and mammal species. Large congregations of mammals such as the sloth bear can be seen feeding below clusters of such trees during the peak fruiting season. Species of acacia like *Acacia pennata* and *suma* offer important food plants for elephants, triggering large-scale migrations into this area during certain seasons.

Chemmanatham has undergone a major change over the last two years. A map drawn by Ajay Desai (of the Bombay Natural History Society) who has studied elephants in this region for many years, has been published in the society's journal and depicts all the areas described in this article. At least three resorts have mushroomed in the area. Land has been acquired for two more. I am completely averse to the development of certain areas for resorts; from the African sub-continent, there are splendid examples of how resorts have badly benefited the people and the wildlife of certain areas. Their value as foreign exchange earners is

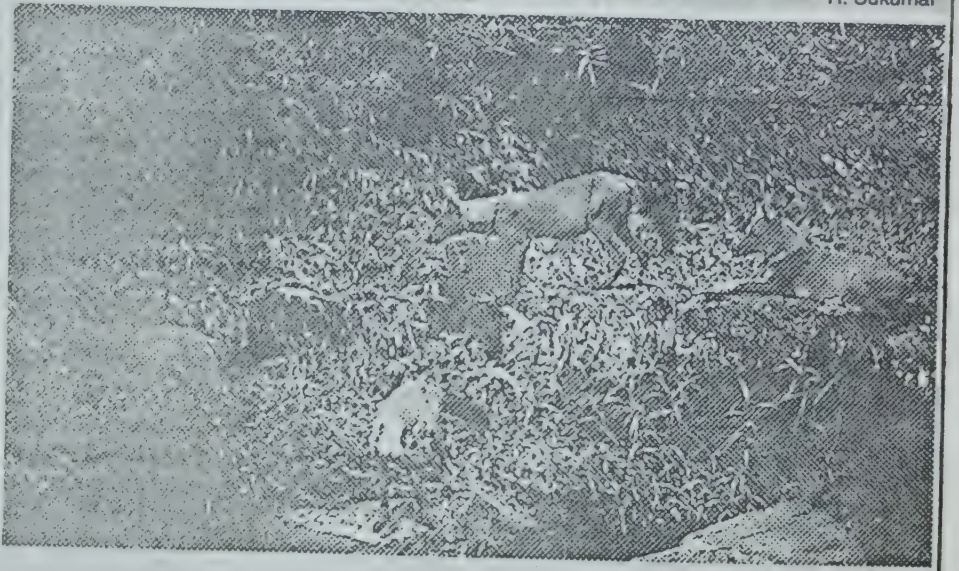
unquestionable.

However, in many parts of Africa, their proliferation is strictly controlled. Critical areas such as wildlife corridors are definitely not earmarked for this kind of development. This is exactly what happened in Chemmanatham, despite many studies conducted by scientific bodies and NGOs. The Chemmanatham corridor recently acquired greater significance. Major construction work on an underground tunnel, undertaken by the Tamil Nadu electricity board in the forest between Masinagudi and Singara has virtually closed that corridor, the scene of large-scale elephant migrations in the past. With the current real-estate development between the villages of Chemmanatham and Mavanhalla, the Chemmanatham corridor is virtually closed. What is left is a small strip of jungle between Chemmanatham and the village of Moyar situated to its south and, reportedly, even the non-reserve forest portions of these areas are being eyed by developers.

Added to the mosaic of croplands and jungle which typifies the Indian landscape is the new and potentially disastrous element of post-liberalisation real-estate development. Therefore, if one were to consider Indian forests as chequer-boards with alternating squares comprising croplands and forests, the new squares of resort country added are deadly.

Most of the croplands in this area are owned by subsistence farmers who really don't have the means to fence off these areas from wildlife. Therefore, even fields between two patches of forest can serve as effective corridors. Farmers eking out a meagre living from such fields suffer from depredations by wildlife and at the same time, unwittingly, further the cause of conservation. Resort proprietors, with their vast resources, tend to completely seal off their areas with electric fences, brick walls and what-have-you. Having an elephant ambling in the lawns of a time-share cottage is not exactly what most tourists would have in mind. Contiguous land owned by resort companies have, for all practical purposes, sealed off the Chemmanatham corridor. Subsistence farmers, in this area, today are also keen to sell off their lands to resort proprietors. An acre of land fetches what such a farmer considers an astronomical sum.

How can we therefore conserve this new type of chequer-board? Resorts will have to be classified according to their purpose. Will they really foster wildlife tourism is the first question that agencies such as the forest department will have to ask (for a variety of reasons I will not dwell upon the pros and cons of wildlife tourism here). Unfortunately, most of the resorts which have



The 'dhole' (also called the Asiatic wild dog) thrives in the scrub-jungle. Below: Elephants amble in typical scrub-jungle habitat. The scrub-jungles of the Sigur area have a rocky terrain, making them ideal breeding ground for various other wild animals like the sloth bear, the striped hyena and the wild dog.



come up in recent times (ostentatious and totally incongruous with their surroundings) do not.

The serenity and relative remoteness of the area which, on the other hand, is still well-connected to hill stations such as Ootacamund, seems to have fostered the proliferation of resorts in this area. Precious wildlife habitat cannot possibly be used to satisfy such whims. Alternative area must be found if real-estate development has to be entertained.

A notable exception to the existing trend is the resort owned by Mark Davidar. Called Jungle Trails, the resort promotes fairly unhindered wildlife viewing. The resort also protects a tiny fragment of forest, flanking the Sigur river. Being completely unfenced, wildlife from most adjoining areas safely utilise the section of the river, providing Mark and his visitors unparalleled wildlife viewing. Models such as these will have to be considered when deciding whether a resort must come up. Such resorts, if strictly monitored

could take up the dual purpose of protecting valuable habitat. I would even go a step further to say that, if the forest department cannot guarantee the conservation of a critical area, why not consider responsible private ownership? Ideally, such a venture should be non-commercial (organisations such as the Nature Conservancy, USA, have mooted this idea for a long time), failing which modest eco-tourism could be considered. Unfortunately, such cues have not been taken up in the past, and, despite assurances, negative development has been irreversible.

Amidst the lowing of cattle from Chemmanatham, will we ultimately hear strains of music from the nearest resort's discotheque? For me, having worked and studied this area for quite a few years now, this constitutes the worst possible nightmare.

(Arun Venkataraman is senior conservation biologist, Asian Elephant Conservation Centre, Centre for Ecological Sciences, Indian Institute of Science, Bangalore)



# Energy from recycling waste

WEALTH FROM WASTE: Ed. by Sunil Khanna and Krishna Mohan: Tata Energy Research Institute, Rs. 150.

Environmental protection is envisaged in the Indian Constitution and waste management is an integral part of it. Waste production is a measure of our consumerism. Industrially, it is an indication of our imperfect technology, which cannot recycle its wastes.

Energy-efficient technologies and conservation or recycling of our resources are the twin keys for a sustainable industrial production. Most of the papers in this book were presented at a workshop organised by the Tata Energy Research Institute in 1994, sponsored by the British High Commission (British Council Division) and the Shriram Industrial Enterprises Limited. Some are papers invited from relevant experts.

These papers fall under two major categories of energy technologies, one for heat-utilising industrial processes and the other for microbial biotechnologies. Different aspects of cogeneration, which is the

simultaneous production of steam and electricity in a cyclical manner out of one and the same resource, currently practised in organic industries like paper and pulp, rayon, sugar, chemical and fertilizers, the benefits of such cogeneration in reducing wastes and in conserving resources and also the constraints involved in this technology are discussed. Energy from producer gas, evolved by thermochemical gasification of biomass wastes is explained both as a heating fuel as well as a fuel for internal combustion, most popular during the second World war, but the need for more R & D work is highlighted. Various other technologies to recover heat dissipated in industries in general, for generating electricity are described.

Microbes, the least of the living creatures, accomplish most of the biochemical reactions. The various parameters that regulate methanogenesis by biomethanation, first observed by the Italian physicist Alessandro Volta in 1776, are examined. Microbial composting either by the Indore method or by the Bangalore method or their modifications are discussed in detail. Conventional landfill method of solid waste disposal and the environmental biotechnol-

ogies involved therein, like methanogenesis, co-disposal and leachate management are explained, and the need for skilled manpower as waste technologists is indicated. Waste-water treatment, both domestic as well as industrial, through the Upflow Anaerobic Sludge Blanket (UASB) technology for recovering energy for domestic as well as for irrigation purposes and for fertilizer production is explained. Other important papers on the treatment of infectious and hazardous wastes also are included.

However, it is universally agreed that it is best to reduce waste production (waste minimisation) rather than struggling to manage with waste disposal, and hence an integrated waste management (IWM) policy is much needed.

Regular environmental audit is a prerequisite for the pigouvian tax on externalities, and other environmental economic instruments like pollution credit or tradable permits can be evolved and implemented in the pollution market to check on the emission levels of pollutants and on the volumes of waste production, inevitable consequences of our civilized lifestyles.

P. J. Sanjeeva Raj

## An energy forest with a wood-gasifier system

From Alladi Jayasri

BANGALORE, Jan. 7.

Consider this flashback to 1988, dateline Hosahalli village in Tumkur district, 100 km from Bangalore. Population was 267, and the status of the village with 43 households was backwards, non-electrified. Living in the long shadows cast by another world where electricity to light up the nights is taken for granted, the village had no hope of joining this elite club in this century. But all that changed miraculously in May 1988, and a fast-forward to 1996 shows that the village now boasts of a decentralised electricity generation system using a 5 KW wood-gasifier. All the 43 houses have two lighting points, and the village has eight street lights. Amazingly, the village can also claim fame for probably being the only one in the State where power-cuts, load-shedding and electricity bills are unheard of.

'And mind you, many villages will not have heard of these banes of modernity simply because they have no electricity. But not Hosahalli, which has the best of both worlds' says Prof. K. S. Jagadish, presently with the Civil Engineering Department, in the Indian Institute of Science, Bangalore. An 'energy forest' has been raised recording an annual productivity of 6.4 tonnes per hectare — the annual wood fuel requirement of the gasifier is 5.1 tonnes. The rural energy system based on this 'energy forest and wood gasifier' has helped achieve a diesel-substitution level of 73 per cent. The use of electricity for lighting has saved 0.803 tonnes of kerosene per year. Economic analysis has demonstrated the technical feasibility of such a decentralised electricity-generation system based on renewable energy sources.

The Hosahalli experiment is the brainchild of Prof. Jagadish, who headed the prestigious Centre for Application of Science and Technology to Rural Areas (ASTRA), IISc at that time. A team comprising Mr. N. H. Ravindranath, Mr. H. L. Dattaprasad and Mr. H. I. Somashekar applied the concept of the energy forest for sustainable supply of wood fuel in the Hosahalli experiment.

The basic concept of the energy forest was to ensure that the existing stock of local biomass was not depleted, and the need to import biomass was done away with. Working out the wood requirement at 14 kg per day and 5.1 tonnes a year on a daily load basis of 10.74 KW hours per day, the energy forest was planted on a plot of two hectares of wasteland to supply wood in a sustainable manner.

Eucalyptus, acacia, casuarina and other species of trees were planted with a density of 6,600 trees per hectare. The energy forest did not re-

### Greenwatch

quire irrigation, fertilizer or weeding. The gasifier system is operated easily. Two youth have been trained to collect small twigs from the energy forest and cut them into small pieces of required dimension. Since this experiment has no precedent, one of the aims of the project was to monitor the performance of the gasifier. To make this easy, two gasifiers were installed and operated alternatively. Observation for eight months in 1988 showed that the target was achieved, and the gasifier technology posed no systems-failure problems.

The small wood gasifier design is still in the developmental stage now, but the larger one has met economic viability standards well, Prof. Jagadish said. Design improvement such as matching the gasifier-diesel engine capacity with that of the generator capacity and increased capacity utilisation by diversifying the use of the gasifier system to meet other energy requirements such as water-pumping and operation of a flour mill, are also in various stages of experimentation. The capital cost

of the 3.7 KW gasifier, including the engine, genset, voltage stabiliser and accessories, wood-cutter, building and energy forests, came to around Rs. 64,000, while the diesel system, cost Rs. 40,000 at the time of the project's commencement.

While the gasifier had a life of 50,000 hours and its engine 20,000 hours, the diesel engines required overhauling every 5,000 hours. The annual maintenance cost of the gasifier and engine is 5 and 10 per cent, and the operational level is 20 hours per day.

The village community has accepted the wood-gas-based system, even though its neighbouring villages are connected to the electric grid. Equitable distribution has been achieved by providing two electric points for each house irrespective of economic or social status. The experiment is not without problems, however, for large-scale operations, land availability, and the community's acceptance levels, may vary.

Bangalore Weather	Temperature°C		*Rain	**Hum
	Max.	Min.	mm	%
City	28.1	14.6	Nil	27
Airport	27.5	13.8	Nil	43

\* From 8-30 a.m. to 8-30 p.m.

\*\* At 8-30 p.m.

FORECAST (valid until Tuesday morning): Mainly clear skies. Early morning fog/mist may be seen in some areas. No significant change in night temperature.

THE HINDU. 15/1/96



WOMEN







■ Sexual abuse of the girl child is one of the worst violations of human rights.

But more often than not, it goes unnoticed. On Human Rights Day, **Arundhati Ray** argues that the crime, and its victims, cannot be ignored any longer



*Telegraph Look - Calcutta.*



**H**er first sexual experience was at the age of six when a 40-year-old man forced her to have sexual intercourse with him. The man happened to be her father and this was just the beginning of a trauma which would continue until she was 16 and which would leave scars that even today, at the age of 30, despite intensive counselling, she cannot get rid of. The setting of this terrible tragedy is not, as most people would assume, the big bad West, but our very own Calcutta. And what is terrifying is that Deepa's is not an isolated instance: she is just one of those countless victims of child abuse in India whose cases are never heard because of our refusal to acknowledge the darker aspects of that sacred Indian social unit, the family.

We berate Woody Allen and Michael Jackson, shake our heads at the sordid experiences revealed in the Oprah Winfrey and Donahue talk shows. We condemn Western society as a whole for having lost all values and degenerated into chaos and filth. We criticise, secure in the belief that the high moral standards which are the pillars of our society and especially the hallowed family structure could never allow such things to occur. Underlying such belief is the smugness of watching a horror film and knowing the chilling events on the screen cannot take place in real life. But monsters have a nasty habit of taking human forms. In the West, despite their undoubtedly greater numbers, at least their existence is acknowledged and attempts are made to apprehend them. In India, our refusal to accept their reality allows them to perpetuate their crimes and go scot-free.

A look at the statistics involved will help to illustrate to some extent the terrifying dimensions of this problem in India. The Telegraph reported that a recent research conducted by the Delhi-based voluntary agency, Sakshi, concluded that nearly 80 per cent of women experience some form of sexual abuse during their childhood. Over half of these encounters have been with close acquaintances or family members and 20 per cent have been subject-

ed to serious and persistent sexual abuse by relatives.

Laxmi Narasimhan, a child psychologist from Hyderabad who has recently begun practising in Calcutta, believes that in many cases, the Indian family structure acts as a facilitator rather than deterrent to child abuse. The absolute respect that a child is supposed to give its elders makes it simpler for an older male member in a family to force a child into sexual relations. This is especially true of joint families where the members live in close proximity.

Narasimhan cites several instances of incest perpetuated by fathers, older brothers and uncles. In most cases, the events were hushed up and no attempt was made to help the victims who consequently grew up to be maladjusted adults; many of them ultimately committed suicide. She refers to one particular case in Hyderabad where a well-established doctor, recently widowed, raped his 11-year old daughter over the course of a year till she found she was pregnant. The terrified child ended up killing herself.

Nor is this crime restricted to any particular section of the society: it cuts across social strata and income groups, prevailing among the rich and the poor, the semi-literate and the educated. Deepa's father, for instance, is renowned in Calcutta's academic circles. As Sakshi has found, after extensive research, incestuous child-abuse is common even among the upper classes — thereby shattering the popular myth that this malaise is largely a lower class phenomenon. Just as we have become painfully aware that wife-beating is not just a 'poor man's crime' — the result of poverty and illiteracy — but a social phenomenon in general, so, too, we will have to accept that child abuse cannot be conveniently marginalised. It has to be recognised as a real problem and dealt with in this light.

The most dangerous aspect of the sexual abuse of children is that most often the crime has none of the commonly recognisable pointers. Unlike the rape of an adult which is accompanied by violence, protest and struggle, the sexual violation of a minor may be executed without any of these overt signs. This is especially true when it is

## WOMAN OF THE WEEK



■ December 9, 1995, was the 115th birth anniversary of Begum Rokeya Hossain, a pioneer of women's education, and founder of Sakhawat Memorial School, Calcutta. Born in a landed Muslim family in undivided Bengal, and initiated into the 'purdah' system at the age of five, she learnt a little of both Bengali and English hidden from other eyes. She also realised how necessary education was for women of her times, irrespective of religion and language. Her passion found its first expression in the school she founded for women in Bhagalpur, where she lived after her marriage. Started with just five girls, the school had to close down soon in the face of a lot of antagonism from society which considered female education to be a contradiction in terms. Rokeya did not give up, however. In 1910, she founded Sakhawat Memorial School in Calcutta, this time with eight students. The school was named in memory of her husband, a constant source of inspiration to her. She had better luck this time, as the school attracted many students. However, she would have been happier if there had been a greater number of Bengali students. Also the author of a number of books which passionately espoused the cause of women, Rokeya died in 1932. Rokeya Hossain's 53 years of life amount to more than a century of advancement for the women in Bengal.



ly because then  
er is, in almost all  
felt in a position of  
from the child trusts  
admires. As Dr  
a practising psy-  
chologist in Calcutta, emphasises,  
"The child is not even aware  
itself as a victim." The limited  
sphere of its knowledge regis-  
ters the act on a purely physical  
level and the chemical respons-  
es of the body makes the experi-  
ence a pleasurable one.

Since the adult will usually  
impress upon the child the  
importance of secrecy, the  
whole experience becomes one  
of guilty enjoyment of eating  
forbidden fruits. Only the con-  
sequences are far more terrible.

For this reason, psychologists  
describe this form of child  
abuse as the most dangerous  
and as the ultimate misuse of  
power. They point out that the  
victim's emotional immaturity  
rules out the possibility of ratio-  
nal choice or consent so that it is

there is usually a  
complete nervous break-

Deepa remained the victim of  
her father's warped sexuality  
for more than 10 years, trapped  
in the situation by her guilt and  
fear of social stigma. As she  
says, "I could not dare confide in  
anyone since I didn't know how  
they would react." Her mental  
anguish was intensified by the  
knowledge that her body had  
responded positively.

She finally managed to escape  
when she left for undergradu-  
ate studies in the US where she  
went in for counselling. After  
years of regular visits to a psy-  
chologist, Deepa has been able  
to reconcile herself to her past  
and to get back confidence in  
herself. But the emotional scars  
have not been completely  
erased and some will probably  
remain with her for the rest of  
her life.

According to Dr Mitra, in cases  
where the abuse is for a short  
term, the victim's consciousness

congregating male cousin  
whom she had been worshiped.  
The relationship had continued  
for a year until he had left the  
city. Her own immediate way of  
dealing with the experience  
had been to completely sup-  
press it from her consciousness  
and she continued with her life  
apparently as a healthy human  
being. As she explains, "It was  
only when I was once more  
faced with a similar abuse of  
trust and power that the memo-  
ry resurfaced and the combined  
pressure of past and present led  
to a total psychosomatic disinte-  
gration."

There is an urgent need, there-  
fore, to both acknowledge the  
reality of this phenomenon and  
to warn children of the danger.  
Jashodhara Bagchi who heads  
the Women's Studies pro-  
gramme at Jadavpur University  
and is an interventionist activist

#### TELL-TALE SIGNS OF ABUSE

- Sudden withdrawal from normal activities
- Wanting to be alone all the time
- Loss of vitality
- Signs of a disturbed mental state can be discerned from a child's behaviour: scribbles and doodles can reveal a child's disturbed mental state.

#### DEALING WITH THE TRAUMA

- Talk to the child. Keep the lines of communication open
- Train kids to recognise the danger signals
- Ensure a responsible and mature education about sex
- Do not ignore the problem or try to suppress it. Seek counselling for the child
- Assure the child of your support and convince it that you believe in its innocence.

in fact, without the victim realising it.

Once the rape has taken place, there is almost an inevitable pattern of consequences. If the experience continues over a long period of time, then with maturity and awareness the child's feeling of guilt — of doing something "wrong" — will intensify but the fear of exposure will ensure she remains silent. This guilt is strengthened because of the child's inability to reconcile the physical enjoyment with the knowledge of wrongdoing.

may suppress the entire experience and a reaction can be triggered off years later by a seemingly unrelated event. Shonali, who belongs to a Bengali middle-income family and was doing her graduate studies in America, had a total breakdown when a professor in her department, whom she held in the highest esteem, started to demand sexual favours as a condition for good grades. The resultant pressure led the young woman to suffer a complete mental and physical breakdown. During the therapy ses-

in women's issues, feels that social conditioning and the taboos which surround the subject makes the average Indian parent avoid facing up to the sexual identity of their children. This attitude must change and the children must be prepared for the danger.

In the West, children are trained to recognise the signals which characterise sexual advances. From the pre-school level itself, using the medium of fairy tales, stories of favourite animal and cartoon characters, teachers make children aware

TELEGRAPH.



that if an adult insists on intimate physical contact, touching of the genital areas, etc, the person is a "baddie" and the child should refuse to cooperate and report the person immediately to an authority figure.

If Indian children are to be protected, it is essential that this sort of education be made part of the regular curriculum. But awareness is not enough: the child must have the confidence that it will enjoy the trust and support of the authority to whom it complains.

As Jasodhara Bagchi stresses, this is especially true in the case of incest where familial ties makes the whole issue much more complex. The child must be certain that it will be believed and that it is doing the right thing by reporting what has happened. For this, a much more open mindset is needed by adult members of the family and an understanding of the problem. In this context, Bagchi also underlines the importance of sex education.

When this understanding and support are missing, the results can be disastrous. For instance, in Deepa's case, she did at one point complain to her mother but the older woman chose to believe the father when he said that their daughter enjoyed the experience. This only helped to alienate mother and daughter and to deepen the guilt-factor. "I was completely shattered," is how Deepa describes it.

And for victims of sexual abuse there must be easily accessible professional counselling to help them come to terms with the trauma. As Narasimhan points out, "It is essential that the victims be encouraged to talk about their experience, be reassured about their innocence and every effort be made to restore their confidence in themselves."

Many psychologists believe that a child's scribbling can be a signifier of disturbing experiences which the child is suppressing. In America, pre-school

and primary level teachers are often trained to identify these symbols of a disturbed mental state so that the child may be helped. A similar practice in Indian schools could prove invaluable.

There is no doubt that the Indian family structure is a source of support and stability to society. But like all social phenomenon, it should not be treated as sacrosanct; it must be critically examined and the darker aspects confronted so that the people for whom it exists may be protected.

Renuka, another victim, comes from a well-off, educated Bengali family and now lives in Europe. She recounts a recent event which took place when she came home for a holiday a couple of years ago. Visiting India at the same time as her were some members of the family who lived in Germany and who had their five-year old daughter with them. In the house there also was Renuka's uncle who had raped her when she was 11 years of age. At one point he took the child out of the room supposedly to give her a chocolate. After a while the child came running in and whispered something to her mother in German. The mother's face became grim and they left the house almost immediately. Later Renuka discovered that the man had made advances to the little girl.

Bemoans Renuka, "At five, thanks to her training, the kid knew that whatever he was trying to do was wrong and that she should tell her mother". "Why wasn't I given a similar preparation?" Renuka's complaint represents the tragedy of innumerable Indian children. It is time our society attempted to correct the injustice and ensure that a child's songs of innocence are not prematurely converted into the sounds of bitter experience.

(Names of victims are fictitious to guarantee anonymity)

■ The University Grants Commission is yet to recognise the institution's efforts in this direction. But it has not daunted Vinobha Bhawe University, Dhanbad, from organising a national workshop on introducing women's studies into the academic mainstream. The workshop was made possible because of the initiative taken by Vinodini Terway, the Vice Chancellor of the University. Vinodini Terway, the only woman VC in about one-and-half a dozen universities in Bihar, emphasised the necessity of having a separate postgraduate department of women's studies, and also of introducing the subject as an alternative special paper. Prof Yashodhara Bagchi, Director, Centre for Women's Studies, Jadavpur University, and Maitreyi Chatterjee, well-known women's activist, attended the workshop.

■ SUPARNA LAHIRI



■ Hers is the last word over warring men. In an arena where men have reigned supreme for centuries, she is a new entrant. The only woman who acted as a referee at the Asian Judo championships held in Delhi recently. At the 5-feet-3-inches-tall Terway's bidding, strong men halted, withdrew and waited for her command. In short, it was a victory of the female over the male.



# Maternal correctness

Why women are opting out of the race for a high salary and a high status in the job market and are choosing to be mothers.

Bina is a 35-year-old woman who has been working in a multinational company for the last 10 years. She is a highly qualified professional and has been promoted several times. But she has decided to quit her job and stay at home with her child.

When I became pregnant, I faced a dilemma," says Bina. "I had no family support system here to fall back on and my working hours were erratic. But I simply could not accept the fact that my child would be brought up by an *ayah*." So, literally overnight, she decided to quit, much against the wishes of her husband and her boss. In fact, her boss was shocked. He even told Bina that the organisation was planning to promote her within the next few months, for which she had indeed worked very hard. "But my mind was made up," says Bina. "I know that a few years later, my child will not need me as he does now and then I will be at a loss for something to do. But I'll cross that bridge when I come to it."

Today, Bina is thoroughly enjoying her motherhood and watching her child

grow up. "After all, even if I continued working to get that promotion, my child would not be a new-born baby again. I'd miss that part of his life altogether," smiled Bina.

She is not alone in her views. Dr Jyoti Mukherjee, a highly qualified pathologist in Kansas, US, feels the same way. "People say that I am crazy to give it all up after all those years of hard work," she says. Dr Mukherjee knew that if she opted out, it would be difficult to get back into the mainstream. "But I've made a conscious decision. My husband is a doctor too and keeps long hours. So who will the children turn to if I continue working?" asks Jyoti. Her husband was apprehensive but she

was determined to stay at home with her child. She had a long and successful career but she felt that her child's upbringing was more important.

All these women, who are opting out of the race for a high salary and a high status in the job market, are choosing to be mothers. They are not doing this because they are not qualified for the job or because they are not interested in their careers. They are doing this because they want to spend more time with their children and provide them with a better upbringing.

There is a growing trend among women to opt for a happy home life over a high salary and a high status in the job market. This is because they are realizing that a happy home life is more valuable than a high salary. They are also realizing that a high salary does not guarantee a happy home life. They are choosing to be mothers because they want to spend more time with their children and provide them with a better upbringing.

The reason for a high drop-out rate is the fact that the woman is "overstretched." Under the recommendation of the organisation, Women in Public Sector, many companies today are developing support services like creches to help the woman cope with her responsibilities. Counselling sessions are also organised for couples to help them deal with stress and make the man more aware of his responsibility towards housework to relieve the woman of some of the household chores. Reena Ramchandran, marketing director, Hindustan Organic Chemicals Limited, views this loss of middle level management executives not as a gender issue but as a great loss to society in terms of human resources.



For many, looking after children is as valuable and rewarding as working in an office

happy home life, many women are opting out of the race for a few years.

Writes Esther Oxford in *The Independent*, "An MC (maternal correctness) has decided that a happy home life is worth more than a high salary, that looking after children is as valuable and rewarding as working in an office. An ideal MC should still be young, nicely turned out and sparky, a catch. The most celebrated cause of maternal correctness in Penny Hughes, 35, the highly-paid, bejeweled, bobbed high-flyer at Coca Cola. She decided to forgo her rumoured £ 250,000 salary as a senior executive to become a full-time mother."

Hardcore feminists may be

Overburdened, lacking adequate support, the woman simply gives in.

Today, when women are getting the benefit of education and professional training, the question that needs to be focussed on is not equal opportunities but adequate and practical services to help them continue working. Apart from creches and working women's hostels, flexible timing and time-sharing arrangements should be popularised. Though it is only in certain areas of work that such arrangements are possible today, at least these should be made freely available by the organisations. Women can then profitably utilise the time and their training when their children are away at school.



# Former devadasis now play spies

Former Belgaum devadasi Gauvrava Kallappa was more than just a devotee of Goddess Renuka Yellamma on the February first week. She was a spy, around 250 former devadasis like her moved among the bustling crowds trying to spot ceremonies dedicating young girls as devadasis to the Goddess. Suspected cases were reported to the authorities.

"I was dedicated at the age of five and my life has been wasted. I do not want others to suffer like me. The Goddess asks people to pray for her, not to dedicate their children to her," says Gauvrava.. She adds that since they know the rituals, their role during the festival is vital.

Two thousand former devadasis like Gauvrava and Yellava have had the courage to free themselves from this exploitative practice after the launch of Karnataka Government's Devadasi (DRP) in 1991. They are now part of the 75 self help groups set up by the programme.

Although they still believe in Goddess Yellamma, they have renounced their devadasi status and gaurd against dedication ceremonies in their villages. The DRP has mobilised people in 36 villges and 167 Gram Panchayats in Belgaum district to end the devadasi practice. The programme however does not interfere with the worship of the Goddess and the faith the villagers have in her.

Several thousand devadasi women from Belgaum partcipated in bangle wearing ceremony last December, symbolising the end of their devadasi status. Traditionally, devadasiss break their bagles during this period and are "widowed" for a month till the Soundatti festival.

"By foregoing widowhood, they sacrificed the donations of rice and grain that would come thier way from other villagers," says DRP project officer in Belgaum. Gauvrava however, has no regrets. She prefers her present employment as a weaver and spares no energy in pleading with villagers to end dedication to the Goddess. "I tell them to educate their girl children instead" she says.

According to the DRP project officer that most villagers were predisposed to ending the practice owing to greater awareness and education, whether formal or non formal. The DRP itself began with two year awareness campaign in Belgaum villages. "we sought the support of local groups, voluntary organisations, religious leaders since they have major role in influencing their opinon," she says. While the former devadasis say that they have not encountered strong opposition to their activities, primarily because of the awareness campaign, they constantly face abuses in the Gram Panchayats. "They may be openly rebuked and called prostitutes but we tell them they must bear it prevent others being introduced into the system," says the DRP spokesperson.

However there are some cases like that of Yellava Shanker Pukande, who was beaten up by a villager when she formed a sangha for devadasis in her village. They go together and send him to prison. The self help groups perform important roles other than vigilance. They too have formed a sangha for financial and self - support system. They pool certain percentage of their hard earned money every week and save in the local bank. Each member of the sangha can take a loan of Rs.400/= at a time.

The sangha does the co ordination the return of working capital given to its members. The sangha has proper record keeping facilities.

source : TOI..Bangalore..Feb..8th 1996





NOVEL USE FOR A PUBLIC VEHICLE: 'Tiger,' the vehicle of the Bangalore city traffic police which removes vehicles in 'No Parking' areas, is seen carrying sugarcane in Bangalore on Sunday, on the eve of Sankranti. — Picture by K. Gopinathan./

## 'Exploitation of women, children must end'

From Our Staff Reporter

BANGALORE, Jan. 14.

The Vice-President, Mr. K. R. Narayanan, today emphasised the need for a massive social movement to bring about changes in the attitude of society, particularly towards women. In this, voluntary organisations have a crucial role, he said.

Inaugurating 'Tara' — a shelter for women in distress — he said women in society continued to be discriminated against and denied their rights. He deplored atrocities against women which were on the rise and said progressive legislation was required to deal with them. He regretted that a country culturally devoted to women and children was exploiting them.

Referring to dowry deaths, Mr. Narayanan said he found it hard to believe that Karnataka had the largest number of such an incidence.

According to him, other States also faced with the same problem. "Paradoxically such deaths occur more in cities and in educated middle-class families. Dowry killing is an unacceptable practice and India has to be profoundly ashamed of it."

Mr. Narayanan said, "the non-Governmental organisations dealing with social problems despite doing admirable work in their own areas are all fragmented. They should be brought together to change the age-old mores of societies."

Though the children's movement had gathered considerable momentum with the Government providing various facilities, children continued to suffer, he said. In fact, the movement had got fresh impetus from unexpected quarters. For instance, he said, entrepreneurs who were finding child labour a major obstacle in exporting their goods to places such as Eu-

rope, were putting pressure on abolishing the same. The Governor, Mr. Khurshid Alam Khan, expressed unhappiness over the fact that gender-based disparity still persisted in society. The Home Minister, Mr. P. G. R. Sindhia, read out the Governor's speech as the former could not attend the function.

Bangalore Weather	Temperature°C		*Rain	**Hum
	Max.	Min.	mm	%
City	29.1	15.3	Nil	34
Airport	29.0	13.6	Nil	57

\* From 8-30 a.m. to 8-30 p.m.

\*\* At 8-30 p.m.

FORECAST (valid until Tuesday morning): Partly cloudy. Early morning fog/mist may be seen in some areas. No significant change in night temperature.

THE HINDU, JAN. 14/96



**A**UGUSTE RODIN'S *The Thinker* is one of the most famous works of sculpture in the world, and tens of thousands of visitors from all corners of the earth flock to the Rodin museum in Paris, which houses *The Thinker* and other marble and bronze creations by this genius. There is one room in this museum, behind the entrance hall, that is called *The hall of Camille Claudel*. Here, on display, is a small statuette titled *Sakuntala*. Out of curiosity, I stop and pause to study this exquisitely beautiful work, noting that the name is even spelt the same way as I spell mine. This curiosity leads me on to the real life story of Camille, a sculptress whose life resembled that of Kalidasa's heroine in a way, but was far more tragic and heart-rending.

Camille Claudel met Rodin in 1883 when she was 19. He was 43. This ravishingly pretty young girl, with deep blue eyes and chestnut hair, had enjoyed clay modelling even as a child, and by the age of 15, had decided that she wanted to take up sculpture as a serious pursuit. Her mother disapproved strongly — chiselling with stone was hardly considered fittingly 'feminine' — and called the girl 'wilful and stubborn' for insisting on being different. The father sought the advice of a well-known sculptor of the town, who was astonished by the girl's talent and encouraged her.

Women were, in those days (1880), not admitted to the school of fine arts in Paris, but one of the tutors there agreed to guide her privately and, at 16, she began making plaster and bronze busts, winning instant acclaim wherever she exhibited. When, three years later, her mentor moved to Italy on an assignment, he asked his friend Rodin to take charge of Camille. And thus she came into his ambit, like a meteor drawn into the orbit of a powerful planet. He was already a successful sculptor and had been commissioned by the French government to create a decorative bronze gate for the academy of arts. Camille became his student, assistant, collaborator, and also his 'inspiration and companion.'

She began working in his studio in 1885. Rodin fell in love with her and even followed her to England when she rejected his advances and undertook the trip to get away from him. And yet, there was this professional link that drew her to him. She is said to have had a hand in the creation of Rodin's masterpieces, *The Burghers of Calais* and the bronze door (with 200 figures) that he called *The Gates of Hell*. Some critics believe

# Death of a sculptress

that her contribution to these works was, in fact, greater than his, and that he took freely from what she created, and incorporated it into his works. Walk through the museum, and you can see the common features in the works of both artists on display.

Camille lived with Rodin as his mistress for seven years. On discovering that he already had a relationship with an older woman named Rose, who was a seamstress and had posed for him as a model and helped him as housekeeper in his earlier days, Camille asked Rodin to sign a written declaration that he would 'eschew involvement with other women' and that 'Camille shall be his wife.' She was 22 at that time. He did sign such a document, but his re-

with monarchs and popes and aristocrats patronising his work and extolling him as one of the greatest geniuses of the era.

The bust that Rodin made of Camille is on display at the museum. It shows a sharp-featured, young girl with a serious and intent face. The bust that she in turn made of Rodin, is also on display. He called this work "the best portrait ever made of him." She was 23, when her mother's strong disapproval of her association with Rodin made her move out of the parental home to an apartment of her own on Boulevard d'Italie. I walk down this boulevard, trying to picture the young Camille trying to come to terms with the cruelly contradictory pulls of her attachment to her teacher and

money; but both her brother and mother disapproved of her 'moral decay' and disregarded her pleas. A friend who visited Camille declared that she was "definitely not insane."

Rodin is said to have been 'deeply hurt' when Camille broke with him, but he nevertheless continued his liaison with Rose, and lived with a duchess for a while (1908 to 1912) while Rose kept house for him! Camille's brother (who had got into the diplomatic service with Rodin's help, after Camille sought his intervention) did not want his career as diplomat impeded by her behaviour (which was considered 'scandalous'). When her father died, the only person sympathetic to her, she was not even informed, and immediately thereafter she was taken for certification as insane and put away, there to remain for 30 long years, till death gave her a merciful release.

I look at a group of four figures made by her in onyx, titled *The Gossipers*, and am left marvelling at the incredible details, in posture, expression and texture, even in stone.

"With the typical egocentricity of the true artist, Rodin sought to avoid anything that might disturb the atmosphere of tranquillity needed for his work," says the biographer, explaining his abandonment of Camille in her hour of distress. Lack of money prevented her from renting a place large enough to serve as a studio, so she could not even work. Sucked thus deeper into a soul-destroying frustration, she inevitably collapsed, a totally wrecked person.

She was 28 when she made a figure of a wizened old woman; this is offered as proof that her mind was already 'bleak and depressed' and on the way to schizophrenia. But note — the *Burghers of Calais* by Rodin is also a group of old, wizened, poor figures. No-one accused Rodin of having been heading for depression when he made this sculpture. He called even his prestigious door *The gates of Hell*. No one considered this as proof that he was heading for the macabre! Several years after her death, her worth was belatedly recognised, and this room devoted to her work was added at the museum. A movie has been made of her life. "I cried when I saw the film," says a friend, who alerted me to the details of Camille's tragic life. Books have come out, in several languages, on her life, but most of them seek to glorify and deify Rodin, while trying to justify her misfortune in the name of her 'illness' and her moody temperament...

## ON WOMEN

Sakuntala Narasimhan

lationship with Rose lasted for another 31 years, till 1917, the year of his death at the age of 77. He had a son by Rose, and his friends thought of Rose as 'Madame Rodin.' Rose had no interest in art, as Rodin's biographers have noted, and did not mind his affairs with other women, as long as her position as 'senior mistress' was not threatened.

Camille, predictably, could not take the situation in the same way. "Working in the same room, Rodin and Camille fought till the fur flew," says one account in German, by Eisenwerth. She created, perhaps after coming across the story of Kalidasa's *Sakuntala*, a sculpture of the same name. Some critics rate this work as superior to Rodin's own much acclaimed (and similar) work, titled *The Eternal Spring* and *The Kiss*. Just as *Sakuntala's* lover failed to redeem his promise of making her his queen, Rodin too reneged on his written assurance to Camille. And she was devastated, fell to pieces, was declared insane and schizophrenic, and was put in a lunatic 'asylum' where she remained for all 30 years, till her death in October 1913 — unsung, unloved and alone. While Rodin in the meantime went from success to success,

guide, her disapproval of his philandering ways, her need for creative fulfilment as a sculptress in her own right, and her emotionally volatile temperament.

When she moved to this new place, Rodin too set up a secret studio of his own nearby, and this is when the couple lived together for seven tempestuous years. Repeatedly, she begged him not to go after other women, but he would not curb his weakness and, in addition, called her 'unreasonable' for making such demands. He used both women, Rose and Camille, for his different needs, and got away with it because the Parisian art world condoned permissiveness as a prerogative of a genius.

And Camille, who was considered equally good as a sculptress? Ah, she was a woman, and women could not really be geniuses, and even if they were, they had no business being moody, wilful and demanding. She was quickly dubbed 'severely depressed,' became an emotional wreck, and her poet-brother had her medically certified as insane. Imprisoned in a mental asylum, she repeatedly begged to see her mother, but the mother refused to visit Camille. Camille had to beg the family for



# Minister calls for ensuring equal status to women

AHMEDABAD, Jan. 5.

The Union Minister of State for Power, Ms. P. V. Patel today called for bringing about revolutionary changes in different spheres of life to ensure an equal status to women in the male-dominated Indian society.

Speaking after inaugurating the eighth international gender and science and technology conference (GASAT), Ms. Patel said that there was a misconception that women were inferior to men and they could not pursue science and technological courses because the subjects were tough.

She, however, said this myth was breaking up since the results of various board examinations had shown that girl students had performed better among the first ten students. She suggested that women's organisations should be set up in rural areas to create awareness among women.

Ms. Patel said that a silent revolution was now sweeping across the country wherein even poor parents were showing interest in imparting education to their daughters. She said this change in the social concept was to ensure that their daughters would get better partners and better job opportunities as well. But this was not enough, she said adding that women must be treated on a par with men.

The Union Minister said that economic and political awareness could empower women. She said that India is the first country where 33 per cent reservation was given to women in local

self-government bodies. She said that these socio-political changes in society will arouse confidence among women to take active part in science and technology.

Organised jointly by Science and Technology for Women and Children and GASAT, the six-day conference is being attended by 240 delegates from 44 countries.

The participants include the president of Third World academy of women scientists, Vice-Chancellor of Swaziland, Ms. Ledia Makhabe, Special Representative of the American Association of Advancement of Science, Ms. Luis Salicrup and Prof. Evin Sjoberg of Scandinavia. — UNI

## One million women elected to local bodies

From Our Special Correspondent

NEW DELHI, Jan. 5.

The Union Human Resource Development Minister, Mr. Madhavrao Scindia, on Thursday said that one million women had been elected to the various local bodies following the constitutional amendment providing for one-third reservation for women.

He was talking to the visiting Trade Minister of Singapore, Mr. Yeo Chen Tong, here. He described this as a "major step towards empowerment of women."

THE HINDU. JAN 5/96/







LABOUR







# Seeking Professionalism

Can the traditional political leadership effectively fight labour's battles on its own?

By ASHIS K. BISWAS

**A**LVIN Toffler could not have put it more succinctly. A new recipe to energise the enervated trade union leadership in India with the infusion of professional talent from outside. And of all places, the idea comes from West Bengal, one of the last bastions of Left conservatism.

But the call for increased competence and professionalism in the leadership and functioning of trade unions has not gone down well with everybody. This is not to suggest that major departures from the past in trade union practices can be staved off for long. Both the CPI(M)-affiliated Centre of Trade Unions (CTU) and the Congress-affiliated Indian National Trade Union Congress (INTUC) find the proposal attractive enough to merit serious consideration. But the CPI-affiliated All India Trade Union Congress (AITUC) is rather sceptical.

INTUC leader Chandrachud Dasgupta, who heads the white-collar employees' union at the Tea Board, defends the demand for professionalism: "With the information explosion and the pushing back of the frontiers of technology, the very nature of industry and business has changed beyond recognition. Unless the organised working class keeps abreast of what is happening globally and educates itself, workers will no longer be able to defend their own interests. In India, we only have some legal assistance to safeguard workers' interests in emergencies. In future, this will not be enough. Some of us feel the assistance of full-time experts who will help us collect, collate and assess new information about industrial development, changes in production techniques and progress in industrial research is absolutely necessary. They are the exclusive domain of big industry at the moment. The days of part-time trade union leaders, no matter how individually brilliant or influential they may be, are numbered."

Young Dasgupta's views are shared by the grizzled veteran of the movement, former MP and president of CTU, Niren Ghosh, who is known for his hardline approach on the new economic policy. Says he: "I think there is no harm in increasing our knowledge about industries, the technological changes and the global trends as a whole. Micro-problems relating to financial demands or routine matters can be left to leaders at other levels. There can be no objection to seeking professional or expert

assistance in the collection of data that concern our interests and their evaluation, even from the outside."

Other sources within INTUC point out that at one level, this specialisation would represent a coming of age, as it were, of the trade union movement in India. Says an observer: "How can anyone expect a part-time leader or MP to speak for the interests of workers in the pharmaceutical, chemical, steel, aviation, jute or construction industries merely on the strength of his being the leader of this or that central trade union organisation? Today, during negotiations,

senior leaders are often briefed by their juniors who themselves are employees and attend to trade union duties on a part-time basis. Most of the time, they have to rely on the masters—whether in the private or public sectors—for basic statistics regarding their own sector."

The AITUC Vice-President, MP Gurudas Dasgupta, does not quite agree: "I think the call for full-time professionals in leadership roles in trade unions is fraught with dangerous consequences. To begin with, competence alone cannot be a substitute for dedication or commitment; which is what





trade unionism is about, or should be. In case special inputs are needed in trade union functioning, surely they can be obtained from experts. What worries me is the implication that such people should find a place in the leadership structure within trade unions, although they might not even have had a nodding acquaintance with the theories and principles and the essence of trade unionism. I cannot imagine anyone seriously suggesting this."

In turn, a senior trade union leader notes that dedication alone is not necessarily the best of guarantees for safeguarding the interests of the working class. Says he: "I remember how during our negotiations on jute strikes here, a very senior and respected trade union leader represented CITU. There was no whisper of any financial scan-

**Trade unions are finding it increasingly difficult to attract new members**

## Many trade union leaders feel that it is necessary to employ experts who will collect, collate and assess new information about industrial development.

dal. Yet, when it came to the laborious nitty-gritty of bargaining between labour and management, usually the latter won. You see, neither the leader nor the employees he led had all the details relating to how much production could be expected during different seasons and what effect the variations in machine output had on productivity, and how far the management could be held accountable for all this. The manage-

ment had the statistics and they withheld crucial information until the moment of decision-taking. Effective trade unionism these days is much more than good intentions or commitment. The only alternative is to arm yourself with information and then talk terms."

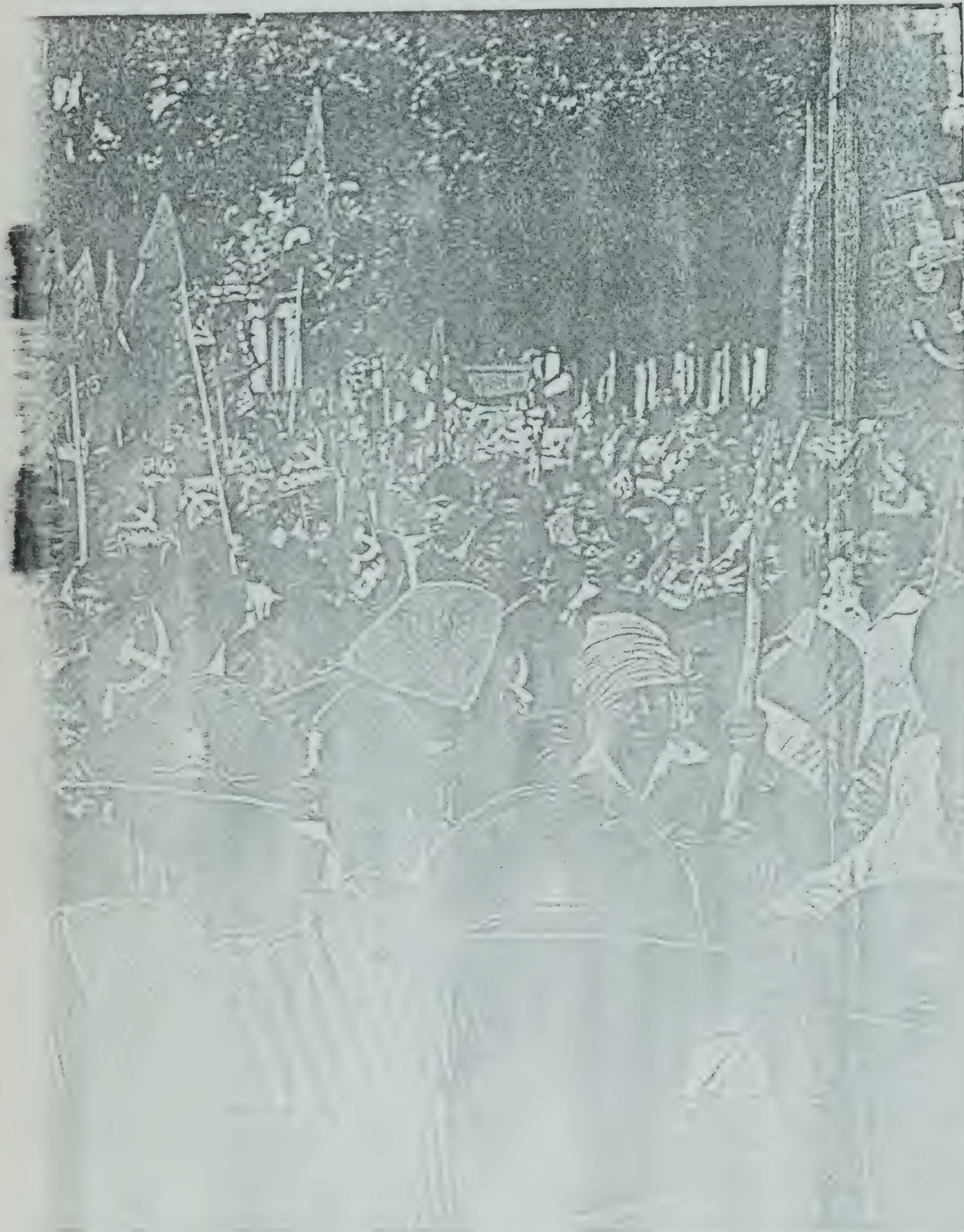
INTUC's Rabin Majumdar, leader of the Bata Mazdoor Union, goes further in his argument for new thinking in trade unionism: "I understand Jyoti Basu urging us workers to improve productivity and to be more disciplined. For, unless the workers' units do well, they lose out to competition and put their own jobs in jeopardy. I do not understand others in the CPI(M) not challenging Basu, yet attacking the policy of liberalisation that the Congress has initiated. It has to be understood that the Marxist view portraying employers and the management as bloodsucking villains who must be fought and destroyed is obsolete shibboleth. The worker has a stake in ensuring optimum production. If this is acceptable, the management and workers have to regard themselves as working partners, not as enemies."

But both Ghosh and Gurudas Dasgupta are extremely critical of the performance of the management in most industries, especially the traditional ones. Says Ghosh: "People talk of work culture and labour indiscipline. What examples have our big industries set? In West Bengal alone, 28 public sector units employing over 140,000 workers are closed at the moment. The number of private sector units closed is much more, and these figures are higher in Maharashtra. In how many cases has labour indiscipline or militancy been a major factor? And in how many cases differences within the management, corruption at the top level and wrong policy decisions have been responsible for the closure of units?"

And so, while Majumdar has written an informative booklet extolling the merits of the new economic policies, Niren Ghosh has virtually demolished them in an equally informative booklet written from a Left perspective, indicating how it has effectively helped the cause of only exporters and non-resident Indians.

But while it would be too much to expect INTUC and the CPI(M) to agree on everything, both organisations that of late common threads have been taking less interest than before in trade union activities and membership drives is a reality. It is also noted that the government wants to attract away from the unions.

Finally, in the new economic policy is marked by a strategy for the development of the country.





# The Seminar of Discontent

Various ethnic groups, bound by common separatist sentiments, come together in the capital

By ISHAN JOSHI

**A** million mutinies now? Has the Indian State really got it so wrong? Has the failure to put a genuinely federal structure in place spawned the discontent that rages in large parts of India? And, perhaps more importantly, is there a progressive link in the demands for autonomy, statehood and self-determination? The answer on all counts is an unequivocal yes. Or so the various 'nationalities' participating at a seminar on the 'nationality question' held in the capital last week emphasised.

Organised by the All-India People's Resistance Forum (AIPRF), a loose grouping of ultra-Left organisations with a marginal influence on national politics, the seminar was essentially an attempt to appropriate the separatist agitations in many states of the country by making them an integral part of the 'struggle to establish a revolu-

tionary state'. Not surprisingly, it failed in this respect as representatives of prominent Kashmiri, Naga, Assamese, Uttarakhandi and other organisations made it clear that their presence at the seminar was aimed only at raising the profile of their separate agitations and putting their views across to a wide and sympathetic audience.

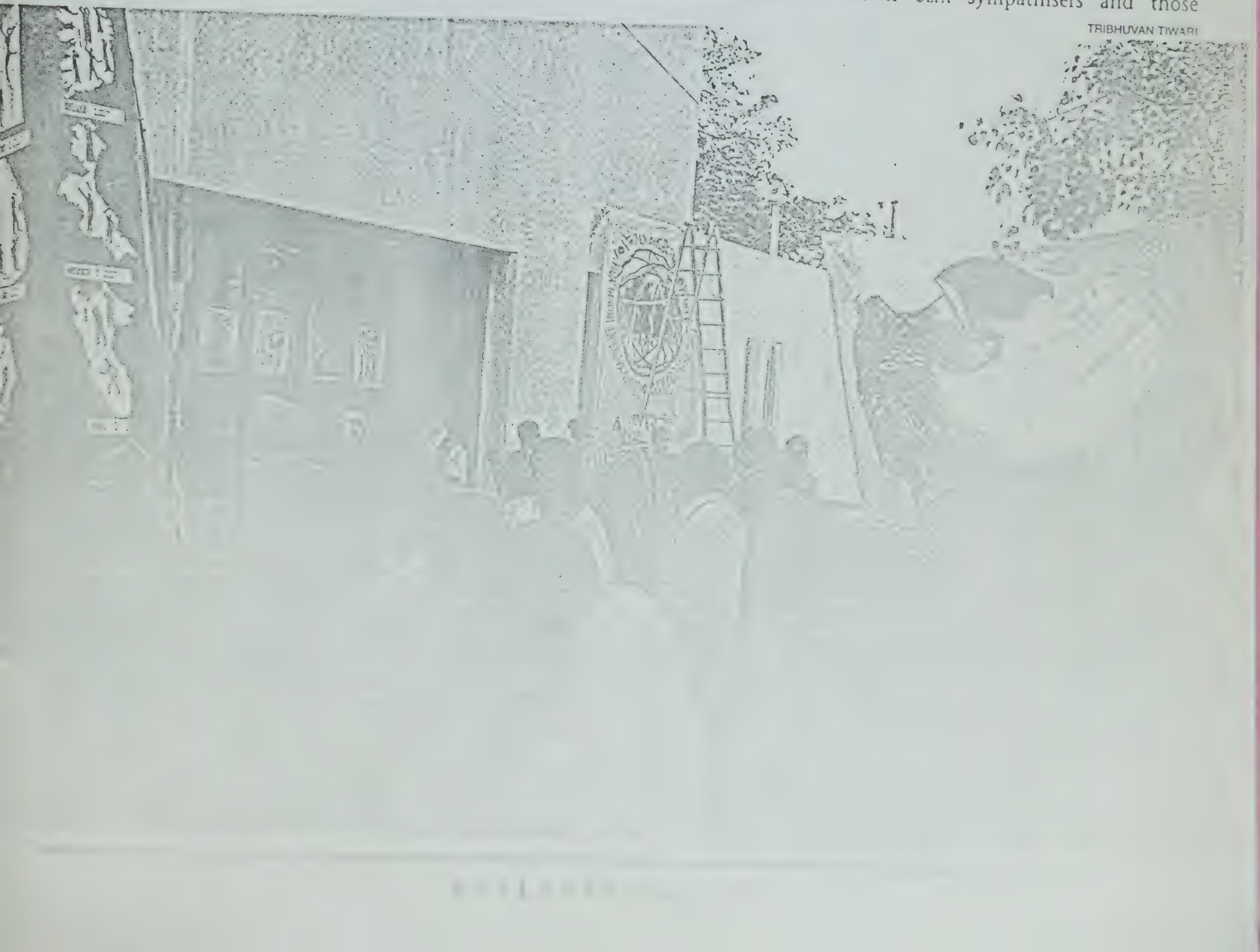
Said Professor Abdul Gani Lone of the All Party Hurriyat Conference (APHC) of Kashmir: "When the idea of constituting a joint committee of the various organisa-

**Separatist groups said their presence at the seminar was aimed at raising the profile of their agitation and putting their views across to a wide audience.**

tions demanding the right to self-determination was mooted by the AIPRF, we readily agreed. But we made it clear that our support was for their agenda and was limited to the extremely positive stand they have taken on the question of the varied nationalities in India and their right to self-determination. Naturally, there are some related issues on which we all agree; such as the need for the abolition of the draconian laws that the Indian State is using to unleash repression in the areas where the demand for independence is being raised and the release of detainees arrested under these laws. But we do not subscribe to the ultra-Left ideology of the organisers."

What the organisers did succeed in doing, however, was to bring together, perhaps for the first time, organisations such as the APHC, the Naga Students' Federation (which has close links with Naga insurgents, including both factions of the National Socialist Council of Nagaland), known ULFA sympathisers and those

TRIBHUVAN TIWARI





According to Lone, the common thread that runs through the trend of 'nationalities' asserting their right for self-

And some mainstream politicians agree. Said Ram Bilas Paswan of the Janata Dal: "The fact that these demands are emanating from regions which have such close links with the mainstream should give us cause for thought. It is certainly the failure to implement a federal structure of government that has led to these demands. And this may lead to a situation where a separatist agenda would find fertile soil. The only solution is that maximum autonomy be given to all states within the Constitution and the demands for statehood be accepted."



Judiciary







# For the sake of a civil society

**O**F late the Lordships have been rather overworked. Some even suggest they are overactive. One day they find themselves having to send to jail a senior civil servant; next day there is this matter of malpractices in blood banks to be sorted out. One week the telecom tender controversy is to be looked into; next week, the Prime Minister has to be told to do something about the Cauvery water dispute between Karnataka and Tamil Nadu. And, in between, there is the ever irrepressible T. N. Seshan to be ticked off.

Hence, the talk of judicial activism — that, too, in a tone of concern. Is the judiciary muscling its way into the domain that rightfully belongs to the executive? Are the judges trying to displace the elected representatives of the people as the custodians of 'public interest'? These whispers have the potential of becoming a bit louder, particularly if the judges are to appear to be a bit too touchy about critical comments about their own judgments and conduct.

*Judicial activism has done the Indian political system immense good. But intellectual humility demands that the possibility of errant behaviour or unsound judgment on the part of a judge also be taken into consideration.*

Yet any talk of judicial activism in a disapproving tone has to be put down as just motivated talk. For example, there is reason to believe that some of those involved in the hawala transaction case have tried to instigate a facetious public debate on the desirability of judicial activism. Another group trying to raise the issue of too much judicial interventionism is of the politicians who find themselves the subject matter of judicial scrutiny in matters like misuse of governmental accommodation.

However, the current spell of judicial activism cannot be understood unless viewed in the context of the days when the apex court was not perceived to be so 'active.' But this juxtaposition will also be unfair to the judiciary; after all the Supreme Court has only been discharging its charter as spelt out in Chapter IV of Part V of the Constitution of India. The Court helped — and at times goaded and restrained — the post-Independence generation of national leaders in giving intellectual and policy substance to the Republic. Reorganising the States linguistically, defining the scope of the right to property, demarcating the relationship between the State and the citizen, etc., were some of the key issues that the post-Independence generation had to sort out. The judiciary was there to lend an understanding — at times, indulgent — hand.

It was only natural that at times the preferences of political leadership and of

judicial thinking were at variance; this variance degenerated into a clash when the late Mohan Kumaramangalam propounded the doctrine of 'committed judiciary'. The inability or the unwillingness of the two branches of the Government, to appreciate the principle of institutional restraint led to an arrogance that finally culminated in the promulgation of the Emergency in 1975. It was a while before the judiciary regained its old poise.

It was left to the P. N. Bhagwati Court in the 1980s to branch out — tentatively — into newer areas. The post-Emergency era saw a greater concern and vigilance about the rights and autonomy of the civil society; the judiciary was called upon to restrain and restrict a minatory state and its functionaries. The Court enthusiastically took up the cudgels on behalf of the civil society; bonded labourers were 'freed,' human rights activists were given protection; and, 'public interest litigation' was encouraged.

But the Bhagwati Court was extremely careful not to challenge the political leadership. It conceded the executive's supremacy in transferring, appointing, promoting judges. It subscribed — though not necessarily in so many words — to the concept that the Prime Minister as the chief political executive of the country was entitled to have his/her say in rearranging the institutional arrangement of the Republic. The Court took a rather minimal view of its role; ultimately it proceeded on an assumption that it was the political leadership that was responsible to the masses/voters for its acts of omission and commission.

The Supreme Court's task was made easier by the simple fact that neither Indira Gandhi nor Rajiv Gandhi nor Mr. V. P. Singh ever tried to duck a political controversy by asking the judiciary to get involved in political conflict resolution. They behaved as if the moral and political authority of the office of the Prime Minister was sufficient to make various antagonists see reason. In fact the very logic of the Westminster Model enjoined the Prime Minister to take on the role of the supreme arbiter in the continuous and thorny process of political conflict resolution, a task made even more sticky because the federal arrangement imposed its own constraints on a prime minister's area of autonomy. The Prime Minister's job was to govern; the judges' job was to adjudicate. Neither left much room for doubt.

Suddenly it was different when Mr. P. V. Narasimha Rao became the Prime Minister. For the first time the country had a Prime Minister who did not enjoy a working majority in the Lok Sabha; added to this fact was Mr. Narasimha Rao's own disinclination to take decisions, especially unpleasant ones. What is more the Narasimha Rao Government also initiated a process of economic reforms that was seen by many as a departure from the established national commitment to an egalitarian order. Lacking the requisite moral authority as well the political elbow room, the Prime Minister found it convenient to steer a few controversial political issues, including the Babri Masjid/Ram Janmabhoomi dispute, the Supreme Court's way.

Much against their inclination the judges found themselves having to have a share in governing a deeply divided nation. (In fact, recently two senior Congress leaders were

overheard wondering, rather jokingly, whether they could move the Supreme Court to force the Congress President, Mr. P. V. Narasimha Rao, to convene a meeting of the Congress Working Committee). There were others — most notably the Chief Election Commissioner, Mr. T. N. Seshan — who also poached on the Prime Minister's domain. The resulting conflict, too, ended up before the Supreme Court. It was perhaps inevitable that the Supreme Court found itself having to decide upon matters which had profound



political ramifications. During the last session of Parliament, the ruling party was happy to hide behind the Supreme Court in order to avoid a discussion on the telecom tenders.

This process of reluctant expansionism was further facilitated by a marked decline in the respectability the politicians as a class enjoyed. One key component of the economic reforms regime was an assertion that the politicians and bureaucrats were inherently incapable of running the economy; consequently a new confidence was reposed in the competence and entrepreneurship of the market managers. This subtle assertion, in fact, undermined a crucial perception i.e. the political leaders were the most authoritative interpreter of 'public good/public interest.'

Once this psychological assault had taken its required toll, groups and individuals felt free to challenge before the Supreme Court the correctness and wisdom of the executive. If the Ridge in the capital was to be saved, .



the judges had to order eviction of encroachments; if the Taj Mahal was to be protected, the judges had to order closure of polluting industries; if the Ministry of Urban Affairs would chose to ignore all norms and its discretionary powers, the Supreme Court had to intervene; if a law-unto-himself K. P. S. Gill has to be rapped on the knuckles for misbehaving with a woman officer, the judges had to hand down strictures against the supercop. In other words, if the political leadership will not find the courage or the

Constitution: 1. Achieving a more equitable society through a transformation they called a social revolution; 2. preserving and enhancing national unity and integrity; and, 3. establishing the spirit as well as the institutions of democracy." This Professor Austin calls the Constitution's seamless web.

Speaking at the Rajiv Gandhi Foundation in September 1994, Professor Austin had noted: "The importance of seamlessness lies both in the mutually supporting relationship among the three great strands and the threat to the

liberal arrangement i.e. authority be exercised fairly and justly.

However it would be futile to pretend that the judges's behaviour and judgments can remain beyond criticism. Unfortunately in the last few years judicial officers at the lower level have not always conducted themselves honourably. In 1990, for example, the lawyers' association of Bombay passed a resolution virtually charging some judges of the High Court with corruption. Later a Chief Justice of the Bombay High Court had to step

down following a controversy about a sumptuous royalty for a book. In 1993 an unsuccessful attempt was made in the Lok Sabha to impeach Justice V. Ramaswamy of the Supreme Court. It goes without saying that if the judiciary aspires to a larger-than-life profile then it is incumbent upon the Chief Justice of India to insist on the highest standards of public behaviour and probity from the entire judicial fraternity.

Secondly, there can be no escape from an intense, and at times, passionate, debate about the merits and defects of the Supreme Court's judgments. Public debate could even degenerate into irresponsible partisanship, especially if the Supreme Court is to be called upon to decide such politically sensitive issues as what constitutes 'Hindutva' or such economically vital matters like who gets which telecom contract. It is therefore absolutely necessary that the Court is allowed to decide these matters without someone imputing motives or malafide intentions to the judges.

Nonetheless, the very

essence of democracy and its product, the liberal order, would demand that the judges do not object to a discussion of the wisdom or the correctness of their decisions.

Just as the ministers, bureaucrats and legislators are not above criticism, similarly the judges of the High Courts and the Supreme Court cannot be presumed to be beyond the pale of scrutiny.

'Judicial activism' has done the Indian political system immense good; the judiciary has come to be perceived as a source of wholesome governance. But after all judges too are a product of the Indian milieu; intellectual humility demands that the possibility of errant behaviour or unsound judgment on the part of a judge also be taken into consideration. In other words, there is no scope for judicial fundamentalism.

**Harish Khare**  
in New Delhi



wisdom to take hard decisions, the judges would have to do the unpleasant job.

In the process the judges were seen as putting the errant politicians and arrogant bureaucrats in their places. The public applauded this new bout of 'judicial activism.' However, it needs to be kept in mind that the judges's area of activism is well-defined by the Constitution of India. The crux of the matter is that the Constitution lends itself to a most dynamic reinterpretation of basic commitments, according to prevailing circumstances.

Rather than giving in the currently fashionable political orthodoxies, it is pertinent to remember the vision written into the Constitution of India. According to Professor Granville Austin, one of the more thoughtful scholars of the Indian constitutional system, "the founding fathers challenged themselves and their fellow citizens placing three grand goals for India in the

coherence of the web if any of the strands is stretched beyond reasonable limits or allowed to go slack." The ruling elites in India have displayed an unfortunate tendency to cross limits of reasonable behavior; self-restraint, tolerance for dissent, and respect for institutional autonomy do not come easily to the rich and powerful in India. As the eminent jurist, Mr. Nani Palkhivala once noted 'let us not pretend that the rule of law is a concept which can be regarded as a part of the Indian psyche.'

The Judiciary is thus enjoined to attend to the difficult task of seeing to it that institutions, groups and individuals do not cross the limits. And in this context if the Prime Minister of the day chooses to take a rather minimalist view of his office or believes in taking the path of least resistance, the apex court will have to take on the role of ensuring that neither the acts of commission nor of omission violate the basic requirement of a



# SANCTION SOUGHT TO PROSECUTE V.C.SHUKLA, JAKHAR, SCINDIA ADVANI, ARJUN SINGH, DEVILAL, Chargesheeted in "HAWALA" Case

From T. Padmanabha Rao

NEW DELHI, Jan. 16.

The Supreme Court today was told that the Central Bureau of Investigation (CBI) in what is known as the 'hawala transaction probe matter' — has today filed 'charge-sheets' (after investigation) against Mr. L. K. Advani, president, Bharatiya Janata Party (BJP), Mr. Arjun Singh, leader of the breakaway Congress and Mr. Devi Lal (former Deputy Prime Minister), Mr. Yashwant Sinha (BJP) and Mr. Arif Mohammed Khan — all former Central Ministers — and Mr. Pradeep Kumar Singh (grandson of Mr. Devi Lal).

The CBI has also sought 'sanction' from competent authority under relevant provision of the 'Prevention of Corruption act' for prosecution of three present Union Cabinet Ministers, namely Messrs. V. C. Shukla, Balram Jakhar and Madhavrao Scindia.

Mr. Dipankar P. Gupta, Solicitor-General (SG) — appearing for the Union of India — made this disclosure while detailing the action taken (since the last hearing of this matter) by the CBI in the 'hawala transaction probe'. Further consequential steps were likely to be taken soon in this regard, the SG said.

Investigation against remaining public servants and others was continuing and necessary further action would be taken, the SG also submitted.

The Bench was hearing a public interest litigation (PIL) writ petition from Mr. Vineet Narain, Editor of a video news magazine and others alleging that the CBI was not diligently and fairly pursuing investigation into the 'hawala transaction' involving a payment of about Rs. 65 crores to some politicians, bureaucrats and businessmen and seeking the Court's suitable directions for investigation by an independent agency.

Mr. Justice J. S. Verma, Mr. Justice S. P. Bhattacharya and Mr. Justice S. C. Sen were on the Bench.

Adverting to a prayer by the SG for the Court's suitable directions to enable expeditious trial of these cases by the Special Judge, Mr. V. B. Gupta, Delhi, the Bench considering it appropriate, said that the cases concerned — including those in respect of which charge-sheets would be filed — would be tried by this Special Court and that the services of Mr. V. B. Gupta should be utilised exclusively for trial of these cases only to ensure speedy disposal of these cases.

The Bench, therefore, requested the Delhi High Court to issue appropriate orders and such other consequential orders as it might consider necessary in this regard. (The Special Court of Mr. V. B. Gupta is under the jurisdiction of the Delhi High Court).

## Security ordered

In view of the nature of these cases and the kind of pressure under which all officers concerned with 'investigation' of the case — ('hawala transaction probe') — in several departments are functioning, the Bench directed the authorities to provide adequate security and such other assistance to the officers concerned. Mr. M. R. Sivaraman, Union Finance Secretary and Mr. K. Vijayarama Rao, Director, CBI — who were present in the Court — would identify the officers concerned to the authorities in this regard.

The Bench also directed the authorities to ensure full and strict compliance with the Court's directions.

The Bench also requested the Solicitor-General to convey to the authorities concerned its (Court's) directions and their significance.

When Mr. Anil Dewan, senior counsel for the petitioner requested for Court's suitable directions for security to the petitioner, the Bench orally observed that at the present stage the petitioner — (who brought this matter before the Court through his PIL petition) — "is now incidental". The SG and Mr. Anil Dewan were assisting the Court (in seeking that the investigation was proceeding according to law), the Bench orally observed and added that "now, we are at the stage when people have to be stirred into action". The Bench orally observed that it was open to the petitioner to move a petition in connection with request for his security.

The Bench, while adjourning until January 30, further hearing of this matter, orally observed that it (the Court) expected further 'tangible action' by that time.

Earlier, when the SG submitted that papers for 'sanction' (of the public servants concerned) were being 'processed', the Bench, in its oral observations, said that if there was any impediment in the matter of 'sanction', the same might be brought to the notice of the Court (for suitable directions).

The Bench also orally observed that this proceeding (in this PIL case) was required for taking action (in the 'hawala transaction probe') that should have been normally taken under the law. The Bench also orally added that it (the Court)

came into the picture only for ensuring 'rule of law'.

The Court also orally observed that one should not get an impression that the investigating agencies were very efficient while taking the required action against "those not in power" and that as against those in power, their (investigating officers) edge was blunted. Creditability would come to the (investigating authorities) if the required action was taken (by the investigation) even against the 'strong person or persons concerned' against whom there was evidence in its possession, the Bench orally said.

It was also orally observed by the Court that 'tangible action' appeared to be taken around the time when the matter was scheduled (from time to time) before the apex court (for the last one year). The Court's 'patience' was "running out," the Bench orally said and added that it appeared that the matter was not proceeding at a pace at which it ought to. If necessary protection had to be extended (to those concerned with the 'investigation' into this sensitive matter) the Court would consider it, the Bench orally indicated.

## 'Indicted' Ministers may have to quit

From Harish Khare

NEW DELHI, Jan. 16.

The departure of the three 'Indicted' Cabinet Ministers — Mr. V. C. Shukla, Mr. Madhavrao Scindia and Mr. Balram Jakhar — from the

Council of Ministers is a foregone conclusion. After the Central Bureau of Investigation has told the Supreme Court that it had sought permission to file charge sheet against the three Ministers, the only choice before them is that either they resign on their own or are asked to resign. Sources in the Prime Minister's Office suggested that the Prime Minister's preference will be for the Ministers to step down of their own volition.

An official spokesman confirmed that the Cabinet Secretary had received late in the evening to the effect that the CBI had sought permission to prosecute three Ministers under the Prevention of Corruption Act. After the Cabinet secretariat has examined the communication from the CBI, the 'papers' would be forwarded to the Prime Minister.

In fact, the political and official opinion in and out of the ruling party held that the Prime Minister has no option but to ensure the exit of these Ministers. After all, the CBI is a wing of the Government and it has chosen to conclude that there was a prima facie case against the three Ministers. To make matters simple, the Prime Minister happens to be the minister in charge of the Ministry of Personnel which oversees the functioning of the CBI. As a matter of fact, the presumption has to be that the Prime Minister was kept fully informed by the CBI at every stage of investigation and before it made its submission in the Supreme Court.

Technically the permission to the CBI to proceed against the Ministers will have to be given by the President, who has to follow the advice of the Council of Ministers. Officially the Congress spokesman, Mr. V. N. Gadgil, refused to make any comment. However, according to one senior Congress leader, the resignations of the three Ministers is the 'first logical step' in the process of investigation. Of course, the three Ministers and the others named in the Hawala case will be entitled to defend themselves before they are presumed to be guilty.

Politically the Prime Minister has little choice but to seek the three Ministers' resignations. The Antulay precedent is very clear. In any case, with the general elections just a few months away, Mr. Narasimha Rao cannot be seen to be partial towards his Cabinet colleagues while the investigative agency proceeds against six other senior political leaders. Nor can the Prime Minister run the political risk of being seen as acting contrary to the Supreme Court's directive. The decision of Mr. L. K. Advani to resign his seat from the Lok Sabha has further narrowed down the Prime Minister's choice.

Irrespective of the future course of action of the three Ministers, the CBI's charge-sheets against political leaders is a historic development. Never before in the history were so many politicians indicted in one go. In one day the prime ministerial ambitions of so many leaders — Mr. Advani, Mr. Arjun Singh, Mr. V. C. Shukla and Mr. Madhavrao Scindia — have been dealt a body blow.

PTI reports:

Mr. Balram Jakhar and Mr. Madhavrao Scindia were having a meeting with the Prime Minister here tonight.



# Advani to resign Lok Sabha membership

From Our Special Correspondent

NEW DELHI, Jan. 16.

In a dramatic move this evening, the BJP president, Mr. L. K. Advani, announced that he was immediately resigning his seat in the Lok Sabha and would not contest the coming elections un-

All in the game



"Which is better? Movie channels corrupting the young minds, commercial channels corrupting the middle-class minds or political debates corrupting the entire society?"

## Scindia refutes charges

NEW DELHI, Jan. 16.

The Human Resource Development Minister, Mr. Madhavrao Scindia, has characterised the allegations as "contemptible" and asserted that he would be able to prove to the courts "the utter falsity and scurrilousness" of the charges.

He said in a statement "I understand that the Central Bureau of Investigation has included my name in the chargesheet regarding the so-called hawala case." "I have already expressed my surprise at the suggestion that I have any involvement at all in this affair. The case hinges on a diary which names virtually every Indian politician of consequence and several senior bureaucrats. I wish to state categorically that these allegations about me are contemptible."

"My lawyers have been instructed to prove to the courts the utter falsity and scurrilousness of these charges and I have no doubt that the honourable judiciary in whom I have complete faith will recognise the truth. "But for those of us in public life, the final verdict is that of the people. It saddens me that after 25 years in politics during which my integrity has never been in question, I have to now combat such preposterous allegations.

"I draw strength from my faith in the Indian people. They know my record, and I am sure they will reject these charges for what they are: an attempt to tarnish the reputation of an honest man".

less he was cleared by a court of all the 'trumped up charges' in the Jain Hawala case.

The decision was announced after a stormy one-hour long meeting of the BJP central election committee at the party office here following the developments in the Hawala case.

The CBI told the Supreme Court this afternoon that it has charge-sheeted seven persons, including Mr. Advani. It is seeking permission to file charge-sheets against three others who are Ministers.

Mr. Advani told the press that the charge was 'politically motivated' and that it was 'fabricated' to 'deflect attention' from the Government's own sins of omission and commission. He said "the move to blunt the BJP's campaign against corruption in high places" would not succeed, as this development would help the party further to focus sharply on this issue.

Mr. Advani's decision is almost certain to create additional pressure on all those who have been charge-sheeted, and on the three Ministers. As an emotionally charged Mr. Advani said that the allegation against him had been made 'not so much against me personally but because I am the president of the principal adversary of the ruling party,' a grim Mr. Atal Behari Vajpayee, Leader of the Opposition, and other party leaders — Dr. Murli Manohar Joshi, Mrs. Vijaya Raje Scindia, Mr. Pramod Mahajan and Ms Sushma Swaraj — looked on.

## Jakhar's denial

NEW DELHI, Jan. 16.

The Union Agriculture Minister, Mr. Balram Jakhar, reacting to the hawala issue, said in a

statement here today "My life has been an open book and whatever income, wealth and other assets in my name or in the name of my family are with the proper authorities as well as with the Income Tax Department.

"I am deeply hurt to hear that the CBI is seeking my prosecution on frivolous grounds. Even before the CBI made it known, the public trial was going on in the media despite denials.

"During my entire political career I have done no wrong and I am willing to be subjected to any scrutiny. While I have full faith in the judiciary, I would like this scrutiny to be over within four weeks. I strongly deny any involvement in any illegal transactions as alleged."

## I will fight it legally: Arjun

From Our Special Correspondent

NEW DELHI, Jan. 16.

The former Cabinet Minister and the working president of the All-India Indira Congress Committee, Mr. Arjun Singh, has decided to fight out his 'indictment' (in the hawala transaction issue) legally. Reacting to the CBI 'charge-sheet' Mr. Singh observed that 'I will fight it legally. It is a legal matter'. He added: "I am certain that facts will be established making the position very clear so far as I am concerned."



# CBI chargesheets 14 politicians

From Our Special Correspondent

NEW DELHI, Feb. 22.

In a day of major developments, the CBI today, in the hawala scandal, filed charge-sheets against 14 political personalities and sought sanction to file a charge-sheet against the Chief Minister of Delhi, Mr. Madan Lal Khurana, even as the Supreme Court tried to satisfy itself with the progress of the investigations.

Today's list of charge-sheeted politicians includes Mr. Kamal Nath, Mr. Buta Singh, Mr. R. K. Dhawan, and Mr. Arvind Netam. All four of them had resigned in the last three days. The list also includes Opposition personalities like Mr. Narain Dutt Tiwari (president of the breakaway Indira Congress), Mr. Sharad Yadav (who was the Janata Dal's parliamentary leader in the Lok Sabha and who has already stepped down), Mr. Kailash Joshi (a former BJP Chief Minister of Madhya Pradesh). Besides four Ministers who had already stepped down, today's list also includes two Congressmen: Mr. K. Natwar Singh, who was recently appointed head of the Foreign Affairs Department of the AICC(I) and Mr. Jaffer Sharief, who was the Railways Minister till a few months ago.

So far the CBI has moved against 24 politicians, including seven members of the Narasimha Rao Government, who had no option but to step down from their ministerial berths. According to the Solicitor General of India, Mr. Dipankar P. Gupta, as many as 62 politicians have been deemed to be involved in the hawala scandal, including six who are dead and eight who are still unidentified.

## "Speaking order"

The apex court has fixed March 1, 1996 as the next day when it wants the CBI to inform it of the progress of the investigation, whose parameters the court had already defined in its "speaking order" of January 30, 1996. Significantly enough, there were no exonerations. Nor has investigation against any one been closed.

## Charge of abuse of position

From Our Staff Reporter

NEW DELHI, Feb. 22.

The politicians charge-sheeted by the CBI today in the hawala case are Mr. Buta Singh, Mr. R. K. Dhawan, Mr. N. D. Tiwari, Mr. Kamal Nath, Mr. C. K. Jaffer Sharief, Mr. Ashoke Sen, Mr. Arvind Netam, Mr. Harmohan Dhawan, Mr. L. P. Sahi, Mr. K. Natwar Singh, Mr. Sharad Yadav, Mr. B. D. Dhakne, all former Central Ministers, and Mr. Kailash Joshi, former Chief Minister of Madhya Pradesh, and Mr. Ranjit Singh, son of the former Deputy Prime Minister, Mr. Devi Lal.

The charge-sheets were filed in the court of the Special Judge, Mr. V. B. Gupta, at the Tis Hazari district courts here this afternoon.

The CBI submitted that these leaders had allegedly received illegal gratification from the Jain brothers by abusing their position as public servants. The names of three Jain brothers — S. K. Jain, N. K. Jain and B. R. Jain — and their employee, J. K. Jain, figure in all the 14 charge-sheets.

The investigating agency has prayed the court to summon the accused for offences under Section 120-B of the IPC and the provisions of the Prevention of Corruption Act.

After the CBI counsel sought time for filing of documents in support of the charge-sheets, the Judge allowed time to the investigating agency for filing the documents — on or before March 4 in regard to some charge-sheets and on or before March 6 pertaining to the others.

As per the orders of Mr. Gupta the charge-sheets against Mr. R. K. Dhawan, Mr. N. D. Tiwari, Mr. Sharad Yadav, Mr. K. Natwar Singh, Mr. Harmohan Dhawan, Mr. B. D. Dhakne and Mr. Ranjit Singh will come up for further pro-

ceedings on March 4. Those against Mr. Buta Singh, Mr. C. K. Jaffer Sharief, Mr. Kailash Joshi, Mr. Arvind Netam, Mr. L. P. Sahi, Mr. Ashoke Sen and Mr. Kamal Nath will come up for further proceedings on March 6.

## The 'beneficiaries'

The CBI has alleged that Mr. Tiwari received a total of Rs. 25.88 lakhs from the Jains between April 1988 and April 1991. Out of this amount, Mr. Tiwari received Rs. 25 lakhs when he was neither a Minister, nor an M.P. nor an MLA. He received Rs. 88,000 while functioning as the Union Minister of Finance and Commerce from July 25, 1987 to June 25, 1988. He has been chargesheeted under Sections 120-B, 161 and 165 of IPC and provisions of the Prevention Corruption Act.

Mr. Sharad Yadav, according to the charge-sheet, allegedly received Rs. 3 lakhs from the Jain brothers between November 1989 and March 1990 while he was working as a M.P. and Union Minister of Food Processing Industries.

The charge-sheet against Mr. Harmohan Dhawan says that he allegedly received Rs. 110 lakhs from the accused Jain brothers by abusing his position. He received the alleged illegal gratification while functioning as Minister of State (Independent Charge) in the Ministry of Civil Aviation from November 1990 to June 1991.

The charge-sheet against Mr. C. K. Jaffer Sharief says the former Railway Minister allegedly received Rs. 15 lakhs while functioning as M.P. and Minister of State for Energy in the Department of Coal between November 1988 and November 1989.

Mr. Ashoke Sen, according to the charge-sheet, allegedly received Rs. 20 lakhs as illegal gratification between December 1990 and January 1991. He received the money while functioning as M.P. and Minister of Steel and Mines.

According to the charge-sheet against Mr. R. K. Dhawan, the former Union Minister allegedly

received a sum of Rs. 50 lakhs in one instalment from the Jain brothers. He received the amount in September 1989 while he was the OSD to the Prime Minister, the chargesheet says.

Mr. Buta Singh allegedly received Rs. 7.5 lakhs — Rs. 2.5 lakhs in May 1989 and Rs. 5 lakhs in September 1989. He was the Union Home Minister from May 1986 to December 1989, according to the charge-sheet.

According to the CBI, Mr. L. P. Sahi allegedly received an amount of Rs. 5 lakhs from the Jain brothers while functioning as an M.P. and Minister of State for Education from February 1988 to December 1989.

The former Union Minister, Mr. Kamal Nath, allegedly received a total of Rs. 22 lakhs from the Jain brothers, according to the chargesheet. Out of this, Mr. Kamal Nath received Rs. 12 lakhs as a public servant while he was an M.P. Mr. B. D. Dhakne received Rs. 10 lakhs from the Jain brothers between December 1988 and March 1991 while functioning as Union Minister of State for Power, the charge-sheet says.

Mr. K. Natwar Singh allegedly accepted a sum of Rs. 23 lakhs while functioning as a Central Minister, according to the charge-sheet. He had allegedly attended the inaugural function of one of the companies of the Jain brothers in Madhya Pradesh.

Mr. Kailash Joshi allegedly received an illegal gratification of Rs. 10 lakhs from the Jain brothers while he was an MLA and Minister in Madhya Pradesh.

Mr. Ranjit Singh allegedly received an amount of Rs. 15 lakhs between September 1990 and August 1992 while he was a Rajya Sabha MP, the charge-sheet against him said.

Mr. Arvind Netam, who has since resigned as a Central Minister, had allegedly received Rs. 50,000 from the Jain brothers in May 1991. He was a Lok Sabha MP during the relevant period.

The CBI has so far filed 25 charge-sheets in the hawala case and is expected to file more.



The abdication of responsibility by Parliament and the executive has forced a burst of judi

By PADMANAND JHA and BHAVDEEP KANG

**T**HERE is something rotten in the state of Denmark," was the cryptic observation from the bench of Justices J.S. Verma, S.P. Barucha and S.C. Sen, especially constituted to hear the public interest litigation filed to expedite the hawala probe by the Central Bureau of Investigation (CBI) on November 29, 1994. Fifteen months down the line, with as many as seven Central ministers and several other leading politicians being chargesheeted by the investigating agency, few can doubt that the Supreme Court has taken upon itself the task of cleaning the rot which has set in in the Indian polity.

And the broom used by the judiciary has been all-pervasive. From stepping in decisively to save the Taj Mahal from polluting industries in the region to monitoring the allotment of government houses and supervising the probes by the CBI, it is the Supreme Court which is cracking the whip. Technically speaking, all these areas are within the realm of the executive. The Ministries of Culture, Tourism and Environment should have got together in the routine course to protect the Taj. The

Ministry of Housing and Urban Development has the mandate to oversee the allotment of government houses. And the Prime Minister, who himself holds the Ministry of Personnel portfolio, was duty-bound to ensure that the CBI pursued corruption cases without fear or favour. But with the Government unable or unwilling to perform its functions, the apex court has been forced to step in. The Supreme Court appears to have virtually assumed the functions of the executive, leading to concern in some quarters that the development could lead to judicial despotism.

Says Justice Bakhtavar Lentin, former judge of the Bombay High Court: "In no democracy in the world can it be said that the courts—the higher judiciary—can govern the nation. The judiciary is intended, and its only function is, to lay down the law and to interpret the laws enacted by the legislature. Judicial activism, as it is now fashionably called in India, is a new trend. But in the long run it is an unhealthy trend." He admits that the trend has set in largely because of the growing perception that the higher judiciary is "the last resort to right the wrongs done by the bureaucracy and inability or reluctance of the Government to

# JUDICIARY





activism—on issues as diverse as hawala and environment. But could this spell danger?

decide issues which it alone should do," but maintains that it is dangerous. "If the judiciary is to be a super government, what will be the check on the judiciary itself?" is his question.

Constitutional expert Nani Palkhivala also agrees that it is not for the court to assume these functions. But he adds that it is compelled to do it in order to fill a vacuum. "The streets of Delhi are dirty. Who has to initiate a clean-up? The judiciary. Or the streets would remain dirty. There is a financial scandal. If you don't ask the investigative agencies to do it, they would remain uninvestigated. I don't remember a time when the country was so badly governed....I don't think we had ever reached a state where there was such a lack of functioning by the executive and the legislature," he says, echoing the common belief that it is the near-complete abdication of responsibility by the Government as well as Parliament which has created the conditions for the current bout of judicial activism.

Chief Justice of India A.M. Ahmadi summed up the current phase of activism succinctly in his Zakir Hussain Memorial lecture in New Delhi recently when he said the courts would never have resorted to it "had the other two democratic institutions

functioned in an effective manner."

Justice Ahmadi is sternly disapproving of the manner in which Parliament has conducted itself lately: "There has been a perceptible decline in the performance of Parliament. One particularly disturbing phenomenon which has become quite a regular feature is the holding up and the paralysing of the entire proceedings of the Houses of Parliament by groups of members who walk into the well of the House and disrupt normal activity. This inevitably leads to walk-outs and sometimes many days pass without any business being transacted. Another worrying feature is the decline in the level of debate within the Houses in terms of both quality and content."

His candour is impressive as well as revealing. Seldom has the seniormost judicial functionary of the country publicly criticised the executive and legislative wings. And the question which many are asking now is whether the judiciary could have shown this kind of courage till the mid and late '70s when the executive and Parliament so often combined to thwart the judiciary by amending the Constitution and also by putting the judges under pressure—setting up the precedent of superseding

# TAKES OVER



...the top slots. When  
...of political pro-  
...amendment  
...continued to be widely preva-  
...till the mid-'70s, the Con-  
...stitution was often compared  
...to a periodical which went  
...through successive editions.

Many observers feel the cur-  
...rent bout of rapid-fire activism  
...owes a lot not only to the  
...abdication of responsibility by  
...Parliament and the executive,  
...but also to the fact that the  
...two institutions appear to be  
...the weakest ever in post-Independence India. It is pointed out, for  
...instance, that the apex court did not show the same zeal for pro-  
...gressivism or concern for civil rights in 1976 when it failed to  
...strike down the preventive detention legislation although nine  
...high courts had done so.

But the courts seemed to be coming back strongly after the  
...Emergency and in 1977 started the famous phase of public inter-  
...est litigations (PIL) when even a plaint on a postcard was treated as  
...an important PIL and acted upon. Public interest and social inter-  
...est litigations reached a new high in 1985-86 when P.N. Bhagwati



**"The judiciary  
has the right to  
come down on  
the bureaucracy  
and the legisla-  
ture. But now  
the judiciary is  
overstepping  
its limits."**

**E.S. Venkataramiah**

became Chief Justice of India. In a  
way, the current activism of the  
Supreme Court—most of which  
has been based on PILs in any  
case—appears nothing new. What  
is new, however, is that never  
before had the court managed to  
exert enough pressure on govern-  
ment bodies like the CBI to actual-  
ly launch prosecution of political  
heavyweights.

Most believe that the heightened  
activism which is being seen now  
is actually the culmination of the  
phase which began in the early  
1990s when M.N. Venkatachaliah

was at the helm of the Supreme Court. The phase saw the court  
getting angrier and angrier and coming down heavily on the  
Punjab Police in cases relating to custodial deaths and other  
forms of human rights violation. In the field of environment,  
aggressive decisions, closing down mines and industries, were  
handed down. And the bureaucracy was repeatedly hauled up for  
neglecting its duty.

The new-found dynamism and candour could have something  
to do with a systemic correction which the Supreme Court itself  
forced on the executive. In 1993, the Supreme Court delivered a

## 'It is for the benefit of the people'

A simple postcard was enough for former chief justice of India  
Pravulchandra Natwarlal Bhagwati to convert it into a public interest  
litigation. It was 1985—a time for change in the Supreme Court and  
the beginning of judicial activism, as we know it today. Bhagwati  
retired in 1986. A decade later, when the role of the judiciary is a sub-  
ject of great debate, Bhagwati spoke to Lekha Rattanani about this  
development. Excerpts.

**Would you agree with Chief Justice Ahmadi that an  
activist role has been thrust upon the judiciary?**

There are two theories about the function-  
ing of the judiciary. One believes in judi-  
cial restraint and the other in judicial  
activism. When a constitutional issue  
comes before the judge, he has to make a  
choice dictated by his social philosophy.  
There are some like me who believe that  
the judge has to invest the law with mean-  
ing and content to advance human rights  
jurisprudence. When the executive fails to  
discharge its constitutional or legal duties  
and the legislature does not act, the judi-  
ciary has to step in. Though the judiciary  
is not elected, it is accountable to the peo-  
ple and committed to justice.

**Is this increase in judicial activism a  
temporary phenomenon?**

Judicial activism started in the early '80s  
when Justice Krishna Iyer and I delivered  
several judgements. It is not necessarily a  
porary feature. But its intensity depe-  
on the extent to which the executive  
Legislature fail to perform its con-

stitutional or legal duties.

**You used to convert postcards and letters into public  
interest litigations. Is that where it all began?**

I started public interest litigations in India and even entertained  
letters from social action groups. This was to vindicate the rights  
of the weaker sections because I found that justice was totally  
denied to them by our legal system. Today, when there is tremen-  
dous corruption and total misuse of power by politicians and the  
bureaucracy, the judiciary is the only bulwark and it has to act  
actively to maintain democracy and the rule of the law.

SHALENDRA YASHWANT



**Of late, the judiciary has taken some  
decisions which are the purview  
of the legislature or executive, lead-  
ing to criticism that judges have  
crossed the line.**

There may be a few cases where the judi-  
ciary has strayed into the executive or the  
legislature's territory. If judges feel that  
democracy is in peril, I would excuse them  
if they exceeded their legitimate powers  
because what they are doing is for the ben-  
efit of the people. But a word of caution is  
necessary—for though the cause may be  
worthy, judges should not stray too far in  
a field not allocated to them under the  
Constitution, because that can become  
counter-productive and defeat the purpose  
of judicial intervention.

**What corrective measures do you  
suggest?**

The only solution is to develop people's  
power. The people must learn to assert  
themselves.



JITENDER GUPTA

landmark judgement regarding the appointment of judges. As senior counsel Indira Jaising points out: "Until then the executive appointed judges in consultation with the judiciary. Now the Chief Justice appoints them, in consultation with the executive." The balance of power between the executive and the judiciary clearly tilted in favour of the latter after that judgement.

But not everyone is happy at the turn of events, and the political class is getting greatly upset. All India Congress Committee General Secretary B.P. Maurya does not bother to hide his pique. His demand that the Representation of the People Act be amended in the wake of the Supreme Court's recent judgement on Hindutva is indicative of a longing for the days when judicial pronouncements could be nullified by subsequent constitutional amendments by Parliament. Maurya charges the courts with "sometimes deviating from the main issue." "Law is being interpreted in such a style that law is being made in the name of interpretation," he points out. He is also strongly opposed to the court's intervention in administrative matters. "The Supreme Court would be more fruitfully occupied in clearing the crushing backlog of cases," is his cryptic comment.

The politicians see the interventionist role of the Supreme Court disturbing and have already set up informal contacts to arrest the growing activism and invasion of the judiciary into their domain. Recently, Lok Sabha Speaker Shivraj Patil met the Leader of the Opposition Atal Behari Vajpayee and CPI(M)'s Somnath Chatterjee to discuss the developments. The fear is that if the trend continues, the judiciary may feel emboldened

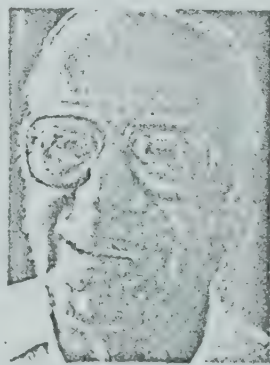


**"If the judiciary is to be a super-government, what will be the check on the judiciary itself? Judicial activism is an unhealthy trend."**

Justice Bakhtavar Lentin

## 'Law must fill a vacuum'

Former Supreme Court Justice V.I. Krishna Iyer on judicial activism



**The Supreme Court is being charged with judicial despotism. Comment.**

The dialectics of judicial activism alone will explain its dynamic advance in the Indian juristic universe. When the executive betrays the people, viewed in the light of constitutional promises, there are two corrective agencies. The first is Parliament, which has the consti-

tutional authority to correct the executive.

But if Parliament, because of the arithmetical deficiency of the Opposition and the majority arrogance of the Treasury benches, wobbles or stands paralysed, there is a jurisprudential vacuum. In such a situation of vacuum, some constitutional machinery must move into action.

**Isn't the judiciary usurping administrative functions?**

On the whole, judicial activism has been rather more than insistence on the imperatives the Constitution expects. That is why you can never call it judicial invasion of the executive power. Had the executive been more responsive and responsible, the court would have hesitated to tread territory which does not normally belong to it.

**Do you see the possibility of a confrontation between the judiciary and the executive?**

There is no possibility in the given situation of an open confrontation between the executive and the judiciary. On the other hand, the nation as a whole sighs with relief that there is some authority which promotes accountability to the Constitution by those in pro tem power.

**What distinguishes the current phase of judicial activism from that when you were chief justice?**

I don't think the court is doing anything more controversial or notorious now than when I was on the bench. It is the circumstances of each period that justify the kind of action that is taken.



# Corrective Measure

... of a crisis is only temporary, says Chief Justice A.M. Ahmadi

For the successful functioning of any democracy and representative self-rule, it is essential that the elected representatives of the people behave like true democrats. Recent times, we have noticed instances of shirking of the Government avoiding taking a decision on a politically sensitive issue by passing it on to another wing, the latter not being expected to make that decision. This tendency has manifested itself at the Central as well as at the state levels. In cases where the sensitive issue is *not* pushed into the lap of another institution, we have noticed that it remains unattended and unresolved, making the people restive and forcing them to take it to the courts. We have also witnessed other manifestations of this lack of faith in democracy by the elected representatives themselves, when they stall or prevent effective discussion in Parliament. This behavioural aspect is a cause for concern as it is totally undemocratic. It has the effect of eroding the people's faith in democracy and of weakening a strong democratic institution. This calls for soul-searching and correctional action without further loss of time.

Inevitably, the process of degeneration of Parliament's conduct

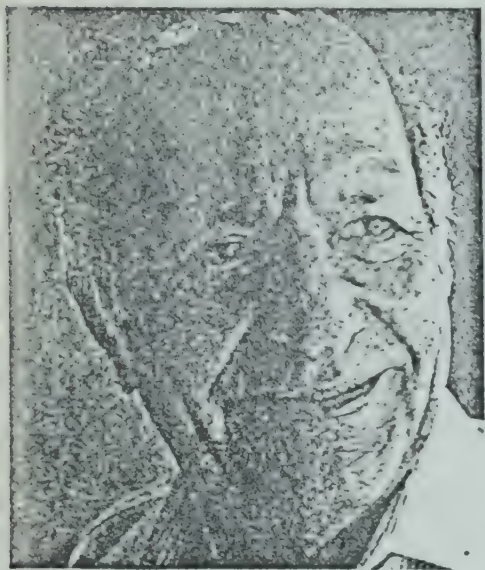
has had its effect on the functioning of other democratic institutions. In the last decade, the Supreme Court of India has had to tackle, deliberate upon and pronounce judgements on some of the gravest politico-legal and socio-economic issues—the Mandal agitation and the Ayodhya crisis stand out prominently. The

expanded role of the Court has not gone unnoticed and several journalists, legal experts, and academicians have filled several reams of newsprint in their attempt to analyse what has been called the "resurgence of judicial activism". There are those who allege that Parliament has abdicated its primary responsibility while others accuse the Supreme Court of transgressing into the spheres reserved for Parliament and the Executive.

Many experts have expressed fears on whether the delicate balance of power envisaged by our Constitution is being upset by the shift in primacy of democratic institutions.

My view of the matter is at considerable variance with those expressed before. I believe, and in stating this view I do not

mean to offend those who have exercised their minds considerably over this vital issue, that these opinions do not go to the heart of the matter, but stop at scratching the surface of the real issues. If one were to delve deeper into the core of these developments, one would realise that the events occurring on the national scene owe their origin to the humble citizen. The present situation is not really a case of one democratic institution trying to

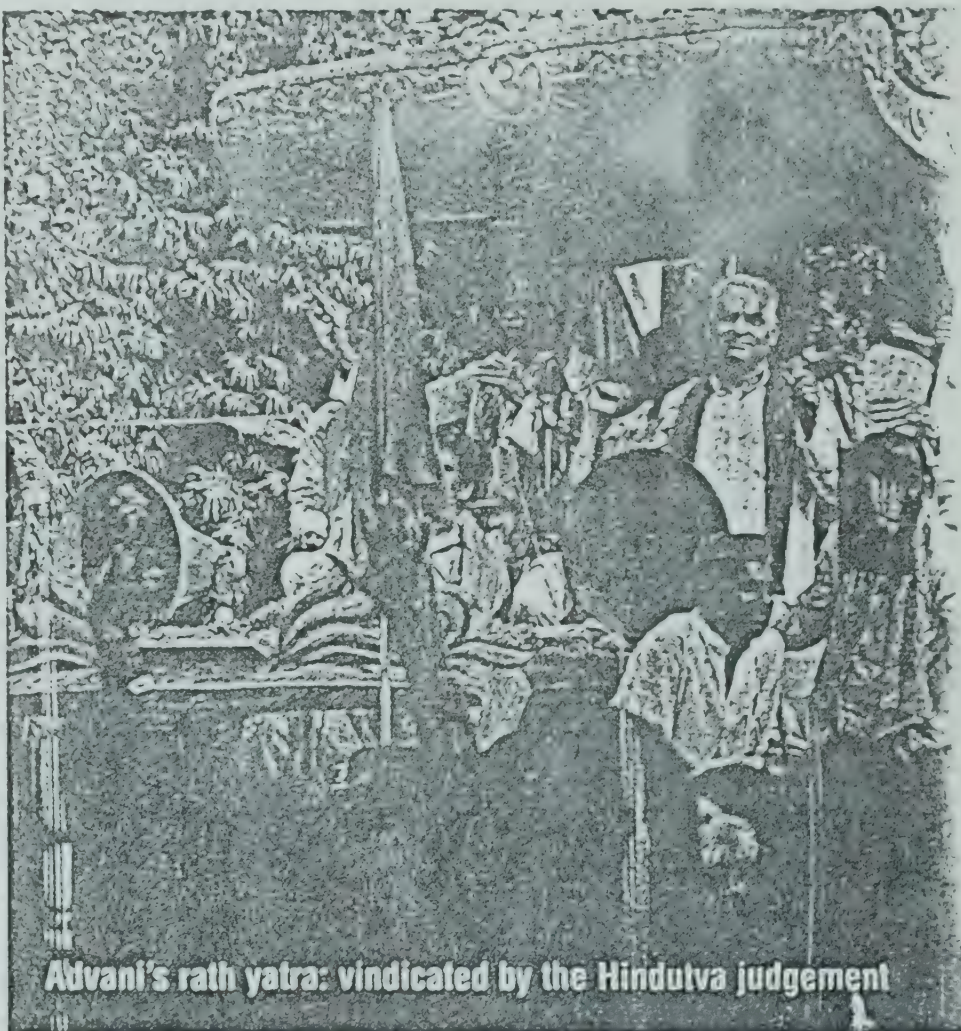


**"I don't remember a time when India was so badly governed or when there was such a lack of functioning by the executive and the legislature."**

Nani Palkhivala

to begin interfering in parliamentary affairs and upset the spirit of separation of power on which the Constitution is founded. The parliamentary arithmetic, in which the Government is far short of the two-thirds majority, and the fact that it is so close to general elections makes it difficult for it to do anything right now. In any case, no political party dare take a confrontationist attitude towards the Supreme Court because of the large backing the activism has aroused among the people. "The Government is malfunctioning so badly and the credibility of Parliament is so low that we cannot afford to take on the judiciary right now," admits a senior Opposition leader in Parliament.

The fact remains that the aggressive shift from judicial restraint to judicial activism is not entirely a healthy trend. Several prominent retired judges and legal luminaries are also worried. Former Chief Justice E.S. Venkataramiah admits that the judiciary has the right to come down on the other arms of governance—the bureaucracy and the legislature—when they exceed their limits, but feels



that "now the judiciary is overstepping its limits". Justice Venkataramiah is a firm follower of the school of judicial restraint. "Who is there to point out it (the judiciary) is trespassing its limits? Restraint is not only graceful but also a necessity for the judiciary to maintain its credibility and respectability. The excess of the lower courts can be set aside by the high court and that of the high court



ert itself over another; rather, it is a case of citizens finding new ways of expressing concern for events occurring at the national level, and exerting their involvement in the democratic process. The Indian citizen is probably the most underrated entity in the field of Indian politics. Time and again, he has shaken off the yoke of the illiterate, naive simpleton that is sought to be tagged on him, by making intelligent choices at the hustings. Many a Government—and a few Governments too—has paid the price for this notion by having to surrender power for this colossal folly. During the initial years, the citizen was quite satisfied with the policies of Government, for the successive Governments did make honest attempts to address issues which touched his life. But, in recent years, as the incumbents of Parliament have become less representative of the will of the people, there has been a growing sense of frustration with the democratic process. The ordinary citizen has reacted in either of two ways. One group—whose members constitute a large majority of our population—has chosen to look upon these developments as an unavoidable feature of their lives and has adapted itself to these uncertainties while continuing to bemoan its destiny. The other group—which constitutes a very small minority—has chosen a more positive, innovative approach and has sought to achieve its objectives through the judiciary. This it does by approaching public spirited organisations and bodies, who in turn, file public interest cases before the courts. This would have been wholly unnecessary if the issues were fully discussed in Parliament and people were kept informed of developments.

When such citizens raise grave constitutional issues and exercise their fundamental rights in invoking its jurisdiction, the Supreme Court is left with little choice but to act in deference to its constitutionally prescribed obligations. This is the reason

why the court has had to expand its jurisdiction by, at times, issuing novel directions to the executive; something it would never have resorted to had the other two democratic institutions functioned in an effective manner.

However, by virtue of the fact that the present situation is a corrective measure, the phenomenon of judicial activism in its aggressive role will have to be a temporary one. Fears of judicial tyranny are really quite unfounded, because judges themselves are aware of the fact that the non-elected judiciary is neither meant nor equipped to act as a policy-making body. Judges, by virtue of their office, are supposed to live lives that do not allow them to continuously maintain links with the ground realities in society. That is why I have always advocated restraint and circumspection.

It is the province of the elected representatives of the people to communicate directly with the masses and orient policies to suitably address their immediate problems. Illiteracy, when compounded by lack of transparency resulting in lack of information to the people, is bound to manifest itself in some other manner. If our democratic institutions of the day do not perform their constitutionally assigned functions, the vigilant citizen cannot be expected to wait for the system to correct itself; he will and can be expected to take upon himself the task of enforcing the rights granted to him by the Constitution.

We must recognise this spirit and I do hope that this spirit of democracy, which has been imbibed by the Indian citizen, will see us through our present crisis. The constitutional functionaries have been forewarned that any default in the performance of their duties is unacceptable—one can only hope that these warnings will be heeded and effective steps will be taken to put Indian democracy back on the rails.

*(Excerpt from the Zakir Hussain Memorial Lecture)*

K.S. KAIRA



by the Supreme Court. But how to set aside any excess of the apex court?" is the disturbing question he asks.

Former chief justice M.N. Venkatachaliah recently told a symposium that he does not see judicial activism as the solution. But he maintains that the worry about a judicial takeover is not justified. "The academic speculation that the judiciary is becoming all-pervasive is unfounded and the constitutional rights of the people are safe. The self-restraint of the judiciary will never let it go overboard," he insists.

Justice Lentin is not convinced: "If the judiciary is to tackle issues that the Government is supposed to, what happens to the average litigant? It is common for the civil cases not to reach hearing for 20 years." Another former judge of the Bombay High Court, Justice S.M. Daud, is similarly unhappy about the penchant for judicial activism. "Old cases are pending while headline-catching decisions are taking

the judiciary's prime time. You cannot play the municipal sanitation inspector, vigilance commissioner, chief minister and judge at the same time," he says, and goes on to warn, "when the judge gets into a messianic mood, it is difficult to check (him). The worst ruler is a moralistic one. He becomes like a Seshan running wild—and making a mockery of himself."



**"Earlier, the executive along with the judiciary appointed judges. Now the chief justice does so, in consultation with the executive."**

Indira Jaising

Noted Bombay lawyer Aspy Chinoy sees it as a sign of the times. "In a political democracy there are no distinct demarcations of executive, judicial and legislative functions. One sometimes runs into the other's domain. In this case it is a sign of the times. If everyone is doing their job, it could be called an intrusion," he says.

But all said and done, most people are convinced that the virtual non-functioning of Parliament and the legislature has made it almost necessary for the judiciary to intervene heavily. While there can be no doubting that the extra-high profile of one arm (the judiciary) at the expense of the other two (the legislature and the executive) does disturb the fine balance which the architects of the Constitution had envisaged. And, in such a scenario, the judicial restraint advocated by Venkataramiah will have to wait a while. Till the two other arms have also undergone systemic corrections, it shall remain Advantage Judiciary. ■

With Lekha Rattanani in Bombay and A.S. Panneerselvan in Bangalore



# SC order in industrial dispute case

From T. Padmanabha Rao

NEW DELHI, Jan. 7.

There is no need to issue any notice to an employer (respondent) nor hear the employer before making a 'reference' or refusing to make reference' under Section 10 (1) of the Industrial Disputes Act (ID Act) to named authorities or an appropriate government on the question whether an 'industrial dispute' exists or is apprehended (on a second application from an aggrieved workman whose first application was earlier rejected the Supreme Court has ruled).

A Bench of the Court said that a conjoint reading of Section 10 (1) and 12 (5) of the ID Act would yield to the conclusion that on making an application for reference, it would be sent to the State Government (of Haryana, respondent) to form 'an opinion' whether an 'Industrial dispute' exists or is apprehended and then either to make a 'reference' to the appropriate authorities or refuse to make the reference only on rejection thereof, the order needs to be communicated to the applicant.

The Bench consisting of Mr. Justice K. Ramaswamy and Mr. Justice B. L. Hansaria also stated that the 'order' is only an 'administrative order' and when the Government rejects, it records reasons as indicated in sub-Section (5) of Section 12 of the ID Act. The appropriate Government "is entitled to go into the question

whether an 'industrial dispute' exists or is apprehended". It would only be a 'subjective satisfaction' on the basis of the material on the record.

(Section 10(1) of the Act provides that where an appropriate Government is of the opinion that any industrial dispute exists or is apprehended, it may, at any time, by order in writing refer the dispute to named authorities).

(Section 12 (5) of the Act postulates that on receipt and consideration of a 'report' from the conciliation officer, if the Government is satisfied that there is a case for reference to the Board, Labour Court, Tribunal or National Tribunal, as the case may be, it may make such reference. Where the appropriate Government does not make such a reference it shall record reasons therefore and communicate to the parties concerned).

Being an 'administrative order' no 'lis' is involved and thereby there is no need to issue any notice to the employer nor hear the employer before making a 'reference' or refusing to make a 'reference', the Bench added.

The Bench also pointed out that Sub-Section (5) of Section 12 of the ID Act does not enjoin the "appropriate Government" to record reasons for making 'reference' under Section 10 (1) of the Act. It enjoins to record reasons only when it refuses to make a reference.

The need for hearing is obviated, if it is consid-

ered on "second occasion" (from the aggrieved workman) as even then if it makes 'reference' does not cease to be an administrative order so is not incumbent upon the State Government to record reasons therein.

Therefore, it is not necessary to issue notice to the employer nor consider his objections nor hear him before making a reference, the Bench observed.

Accordingly, "we (the Bench) are of the view that the High Court (of Punjab and Haryana) was wholly wrong in its conclusion that before making reference on 'second application', it was incumbent upon the State Government to give notice to the employer and to give an opportunity to the employer and record reasons for making reference". The previous decision of the Court relied on in the case at hand was "wrongly decided", the Apex Court held.

The Apex Court, in dismissing an appeal by special leave from an aggrieved workman against the High Court judgment, said that on the facts and circumstances of the case, the State Government was of the opinion (on the 'second application' of the workman) that there existed "no industrial dispute" and therefore they declined to make a 'reference' under Section 10(1) of the Act. Therefore, there was "no reference, in fact, made to the appropriate tribunal/labour court or industrial tribunal".

DAY, JANUARY 17, 1996

## Telecom privatisation policy not subject of plea, SC tells petitioners

NEW DELHI, Jan 16 (PTI)

The Supreme Court hearing the telecom tender issue today made it clear to writ petitioners that the court would not allow them to advance arguments challenging the government's policy of privatisation as it was examining only the limited question of whether the government had acted arbitrarily or with mala fides in the award of tenders for basic telecom services.

A three-judge bench comprising Chief Justice A M Ahmedi, Mr Justice N P Singh and Mr Justice K Venkataswami made it clear that the court would like to see arguments by all parties in the case concluded by tomorrow so that it can deliver its judgement early.

Any attempt by the counsel for the petitioners challenging the tender bids to expand the area of argument to the issue of government policy would not be entertained.

**STAY ORDER:** The court made it clear that if parties failed to conclude arguments by tomorrow the court might have to dissolve its interim order staying the grant of licences by the government for the circles as crores of rupees would be held up by a prolonged hearing.

The Chief Justice observed that the court was not happy at the way the issue before the court was sought to be expanded by the counsel for some of the petitioners.

If the petitioners wanted a leisurely hearing, the court was prepared for it but the interim order of stay would have to be dissolved and the government asked to go ahead with the grant of licences to prevent crores of rupees being locked up.

**ACT QUESTIONED:** The observations came when counsel for one of the petitioners, Delhi Science Forum, sought to assail the constitutionality of the Indian Telegraph Act.

The judges said they would not allow such an argument when the question before the court was limited.

The interim stay had been granted on the understanding that the matter would be finally disposed of at the earliest. But if the counsel continued to expand the issue the interim order would have to be lifted.

The court made it clear that it proposed to end the hearing of the case by tomorrow.

Earlier, Mr C S Vaidyanathan,

counsel for the forum said the government had gifted away the licences as largesse to the detriment of the public without making any rules for the grant of such licences.

**COPU EXAMINATION:** The Committee of Public Sector Undertakings today held inconclusive examination of the reply by the Department of Telecommunication on the charge of the Indian Telephone Industries that it was debarred from participating in the bidding for telephone services.

During the two-hour examination, which was put off till tomorrow, the members were understood to have expressed dissatisfaction over the 'evasive' replies given by DoT Secretary R K Takkar, who is also chairman of the Telecom Commission.

Mr Takkar's replies were 'evasive' and in certain cases 'irrelevant too', sources in the COPU said. He was asked by the committee to come prepared tomorrow, they said.

The ITI in its reply to the committee alleged that the time given to it in the nation-wide bidding process was not adequate and they were given the opportunity at the last minute, sources said.



An Outlook-MODE opinion poll finds overwhelming support for judicial activism

# 'Judiciary is doing a great job'

**L**EGAL experts and senior politicians may have their reservations about the current high-profile activism by the judiciary, particularly the manner in which it has virtually taken over the job of monitoring the CBI probe in the Jain hawala case. But it gets an unequivocal thumbs up from the common man, who is highly supportive of the apex court's drive to weed out corruption in high places. An Outlook-MODE opinion poll, involving 551 respondents in Delhi, Bombay, Calcutta, Madras and Bangalore shows that as many as 89 per cent of them feel that the judiciary is doing a commendable job. And 94 per cent believe that the judiciary should continue in its efforts to cleanse the system.

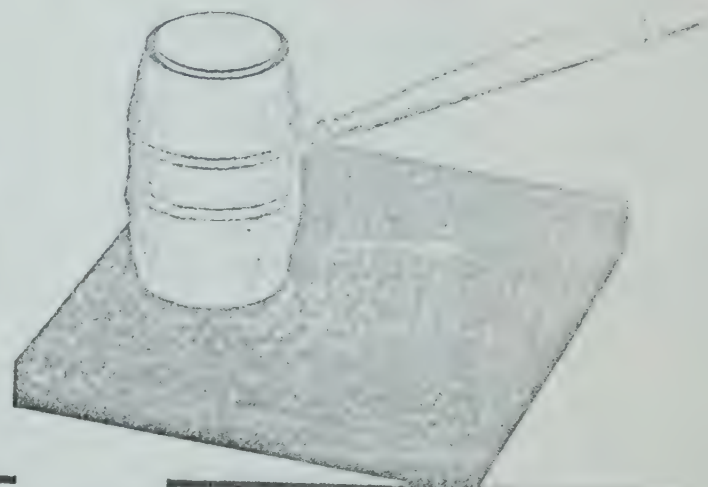
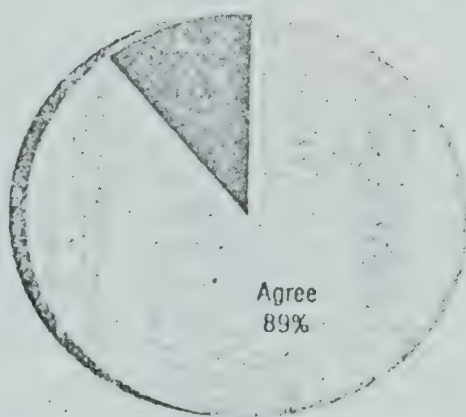
The poll also indicates that the common perception is that the judiciary had to step in since the Government was not fulfilling its responsibilities. Eighty-seven per cent came out in support of intervention by the judiciary. However, there is also a note of cynicism, with 47 per cent expressing apprehensions that finally nothing may come out of the Jain hawala case.

Another finding is that Prime Minister P.V. Narasimha Rao's strategy of painting every politician black and thereby acquiring a halo of the great cleanser is beginning to succeed, at least in the metros. Forty six per cent of the respondents feel that Rao is likely to emerge as Mr Clean although 57 per cent still hold that the CBI chargesheets against top politicians and bureaucrats will not help the Prime Minister.

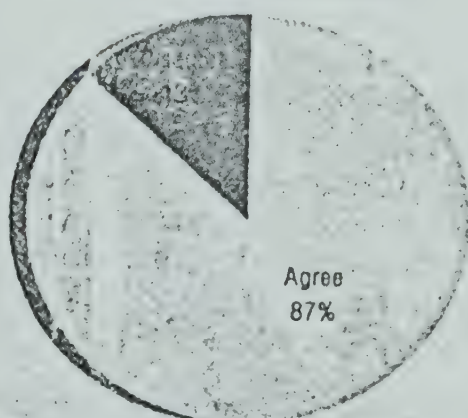
The positive response to the cleansing operation of the Prime Minister was the strongest in Madras. As many as 62 per cent of those polled in the metro feel that Rao will finally emerge with a cleaner image. In Delhi, 52 per cent hold the same view, while in Bombay and Calcutta only 39 per cent and 33 per cent respectively feel that the Prime Minister will benefit from the crackdown in the hawala case.

Among the four pillars of democracy—judiciary, executive, legislature and press—respondents say they trust the judiciary the most. The judiciary is seen as the most trustworthy by 39 per cent, and the press by 31 per cent. The legislature emerges as the least trusted, with 11 per cent, and the executive marginally better with 19 per cent. Clearly, the Government and Parliament will have to do some introspection and act quickly to restore their credibility among the people. ■

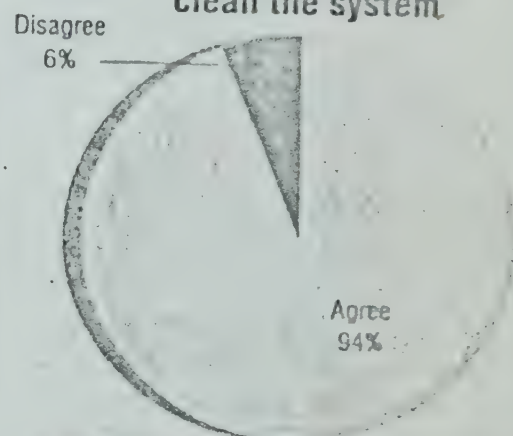
It is a great thing  
the Judiciary is doing



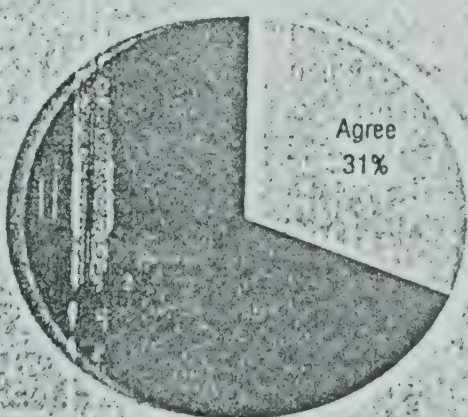
The Judiciary had to step in  
as the Government was not fulfilling  
its responsibilities



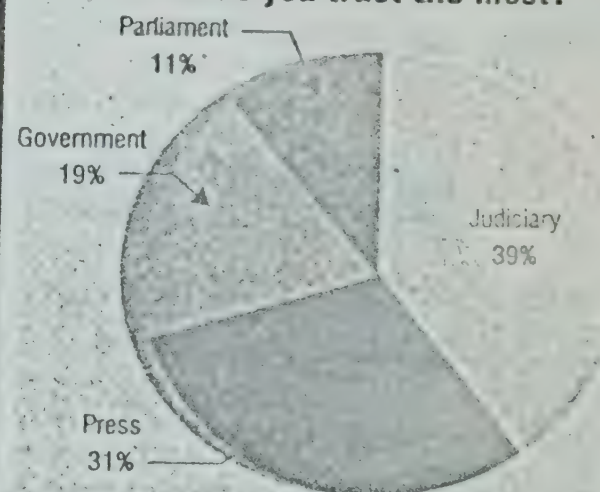
The Judiciary should continue  
the current effort to  
clean the system



The Judiciary is going beyond  
what it is supposed to do

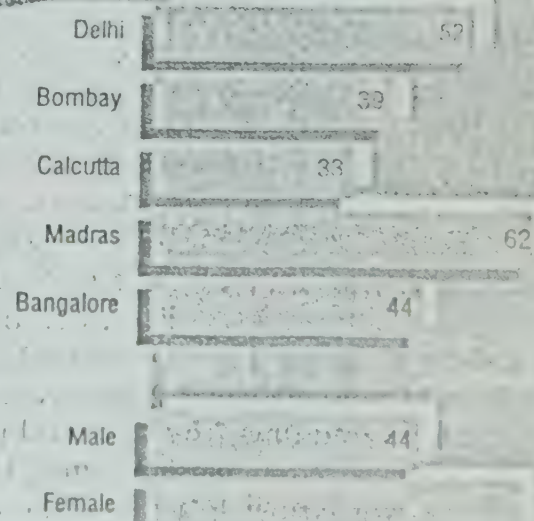
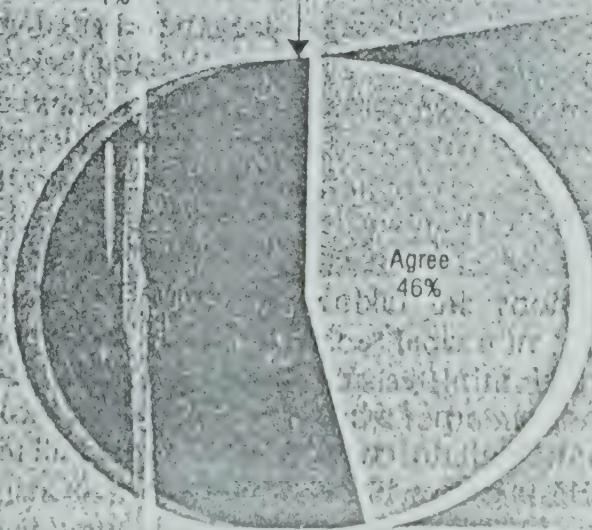


Who do you trust the most?



The Prime Minister will come out with a cleaner image  
because of all these actions

Can't say  
1%



Graphics by NAGS



# prima facie case against 10: CBI

From Our Staff Reporter

NEW DELHI, Jan. 16.

Three Central Ministers, the BJP President, Mr. L. K. Advani, the Working President of Indira Congress, Mr. Arjun Singh, and the former Deputy Prime Minister, Mr. Devi Lal, are among the 10 politicians who have been *prima facie* found guilty by the Central Bureau Investigation in the multi-crore Jain hawala case.

While seven formal separate charge-sheets were filed today in the court of the Special Judge, Mr. V. B. Gupta, against seven persons, the CBI has written to the Cabinet Secretary for sanction to prosecute the Central Ministers — Mr. V. C. Shukla, Mr. Madhavrao Scindia and Mr. Balram Jakhar. Such sanction is mandatory under Section 19 of the Prevention of Corruption Act.

Apart from Mr. Advani, Mr. Arjun Singh and Mr. Devi Lal, those charge-sheeted are Mr. Kalpnath Rai, Mr. Arif Mohammad Khan, Mr. Yashwant Sinha — all former Union Ministers — and Mr. Pradeep Kumar, grandson of Mr. Devi Lal. Mr. Pradeep Kumar had served as the Additional Private Secretary to Mr. Devi Lal when he was the Deputy Prime Minister in the V. P. Singh Government.

The charge-sheets, with far-reaching political consequences, have been filed under Sec. 7 and 12 of the Prevention of Corruption Act, 1988. The names of the three Jain brothers — S. K. Jain, N. K. Jain and B. R. Jain — and their employee, J. K. Jain, figure in all the seven charge-sheets as accused persons.

It has been alleged that the six politicians and Mr. Pradeep Kumar received huge amounts as bribe from the Jain brothers during 1988-1991 for showing favours to them. The Special Judge, Mr. V. B. Gupta, will take note of the charge-sheets tomorrow. The Judge had proceeded for Patiala House courts to testify in a case as a witness when the CBI team reached his court at Tis Hazari to file the charge-sheets. The charge-sheets were received by the court staff for putting them up before the Presiding Judge on Wednesday.

Sources in the CBI said that grant of sanction by the Union Government for prosecution of the three Central Ministers is a mere formality. For, like in the case of the politicians who have been charge-sheeted, investigations have clearly established the three Ministers' association with the Jain brothers as well as receipt of the payments by them.

The investigations were based on the diary of the Jain brothers which was seized by the CBI. The diary also had the names of Rajiv Gandhi, Giani Zail Singh, Mr. Bhajan Lal, Mr. N. D. Tiwari, Mr. Pranab Mukherjee, Mr. R. K. Dhawan, Mr. Kalyan Singh Kalvi, Mr. S. R. Bommal, Mr. Chimanbhai Patel, Mr. Kamal Nath, Mr. P. Shiv Shankar, Mr. Madan Lal Khurana, Mr. K. K. Tewary and a number of other politicians. Among the bureaucrats and businessmen, the names of Mr. K. Padmanabhaiah, Union Home Secretary, Mr. J. S. Bedi, Mr. Lalit Suri, Mr. M. P. Narayanan and others figure.

However, the involvement of Mr. K. Padmanabhaiah in the case has not been established, according to sources in the CBI.

bureaucrats were indicated against their names. The entries of names were made in a coded form.

The alleged entries revealed that Mr. Arjun Singh was paid Rs. 10.5 lakhs; Mr. Kalpnath Rai Rs. 54.7 lakhs; Mr. Arif Mohammad Khan Rs. 7.5 crores; Mr. Devi Lal Rs. 50 Lakhs; Mr. Yashwant Sinha Rs. 21 lakhs, Mr. L. K. Advani Rs. 60 lakhs, and Mr. Pradeep Kumar Rs. 16 lakhs and a Honda car. Similarly, Mr. Madhavrao Scindia allegedly received Rs. 75 lakhs; Mr. V. C. Shukla Rs. 65.8 lakhs and Mr. Balram Jakhar Rs. 61 lakhs.

The CBI sources said that as investigations were still going on more charge-sheets were likely in the case. The investigating agency had filed two charge-sheets in the case — against the Jain brothers, some officials of the Neyveli Lignite Corporation and the National Thermal Power Corporation.

In fact, the matter was pending with the CBI since 1991. But the investigating agency registered a formal case in March 1995 on the orders of the Supreme court which has been closely monitoring the progress of investigations.

The CBI had mentioned in the FIR that the Jain brothers, through their companies — Bhilai Engineering Corporation, Bhilai; BEC Fertilisers, Bilaspur; BIW, Bhilai and Syndicate Engineering Corporation, Bhilai — had official dealings with certain Government organisations and public sector undertakings. It was revealed that the Jain brothers also acted as middlemen in some big power projects. The diary mentioned payment of a total amount of about Rs. 65.47 crores to 115 persons.

Of the three Jain brothers, S. K. Jain and N. K. Jain arrested by the CBI were granted bail. B. R. Jain has not been arrested as yet. Their employee, J. K. Jain was arrested and subsequently released on bail.

But for the perseverance of a few individuals who took the initiative to approach the Supreme Court through a Public Interest Litigation (PIL), the case would have been brushed under the carpet in view of the involvement of important personalities from most of the major political parties.

The origin of the case goes back to May 1991 when the Central Bureau of Investigation (CBI) raided the premises of businessmen, Surendra Kumar Jain and his cousin and employee, J. K. Jain in connection with the activities of a Kashmiri militant. The CBI recovered two diaries related to business accounts of Jains, Rs. 58 lakhs in cash, Rs. 10 lakhs in Indira Vikas Patras and \$ 20,000.

The diaries proved to be a mine of explosive information against prominent politicians of the country. Maintained in code, these diaries show that between April 1988 and March 1991, over Rs. 65 crores were paid to 115 politicians and bureaucrats as kickbacks from multinationals to get projects in the power sector cleared. In October 1993 the Chief Editor and Publisher of a video news magazine, Kalachakra, Rajinder Puri, cartoonist and advocates, Kamini Jaiswal and Prashant Bhushan filed a PIL before the Supreme Court asking the apex court to direct the CBI to proceed against the politicians and bureaucrats whose names



# SC for national blood transfusion council

From Our Legal Correspondent

NEW DELHI, Jan. 5.

"In view of the potentialities of harm in the prevailing state of affairs" in collection, storage and supply of blood and with a view to ensuring that blood available with the blood banks for use is healthy and free from infection, the Supreme Court has directed the Union Government to take steps "to establish forthwith a National Council for Blood Transfusion."

Similar councils at the State and Union Territory-level should also be established in consultation with the national body.

The Union Government should consider the advisability of enacting a separate legislation for regulating the collection, processing, storage, distribution and transportation of blood and the operation of the blood banks, the court said on Thursday.

A Bench, consisting of Mr. Justice S. C. Agrawal and Mr. Justice G. B. Pattanaik, also gave certain other important directions while disposing of a public interest litigation writ petition from the 'common cause' through its director, Mr. H. D. Showrie.

This petition sought directions to the Union of India and all States and Union Territories to ensure that concrete steps were immediately initiated for obviating malpractices, malfunctioning and inadequacies in the blood banks.

The court directed that the Union Government and the Governments of the States and Union Territories take steps to discourage the prevalent system of professional donors so that it would be completely eliminated within a period of not more than two years.

The machinery for the enforcement of the Drugs and Cosmetics Act and the rules should be strengthened and suitable action taken on

the basis of the scheme submitted by the Drugs Controller for upgradation of the Drugs Control Organisation at the Centre and in the States.

Necessary steps should be taken to ensure that drugs inspectors duly trained in blood banking operations were posted in adequate numbers. This was to ensure periodical checking of the operations of the blood banks throughout the country.

The Union Government and the Governments of the States and Union Territories should ensure that within a period not more than one year all blood banks were duly licensed and if any was found ill-equipped for being licensed, and remained unlicensed after the expiry of one year, its operations should be rendered impossible through suitable legal action.

The National Council should establish an institution for conducting research in collection, processing, storage, distribution and transfusion of whole human blood and its components, manufacture of blood products and allied fields.

The programmes and activities of the National and State Councils would cover the entire range of services related to operation and requirements of blood banks including the launching of effective motivation campaigns through utilisation of all media for stimulating voluntary donations, launching blood donation programmes in educational institutions, among the labour, industry and trade, establishments and organisations of various services including civic bodies, training of personnel in all operations of blood collection, storage and utilisation, separation of blood groups, proper labelling, proper storage and transport, quality control and archiving system, cross-matching of blood between donors and recipients, separation and storage of components of blood, and all basic essentials of the blood banking operations.

The basic requirements of the funds for functioning of the National Council should be provided by the Union Government but the council shall be empowered to raise funds from various other sources including contribution from trade, industry and individuals.

The State Council should be a representative body, having in it representation from the Directorate of Health Services in the State, the Drugs Controller, the Department of Finance of the State Government/Union Territory Administration, important medical institutions, the Indian Red Cross Society, private blood banks, non-government organisations active in securing voluntary donations. The Health Secretary could be the president of the State Council.

The National Council, which should be a 'society' registered under the relevant law, would be a representative body having in it representation from the Directorate-General of Health Services of the Government of India, the Drugs Controller of India, the Ministry of Finance, the Indian Red Cross Society, private blood banks, including the Indian Association of the Blood Banks, major medical and health institutions in the country and non-government organisations active in securing voluntary blood donations.

In order to ensure coordination with the activities of the National AIDS Control Organisation, the Additional Secretary in the Ministry of Health, incharge of the operations of the programme of the National AIDS Control Organisation for strengthening the blood banking system, could be the president of the National Council.

The Bench directed the Director-General of Health Services, Government of India, to submit a report by July 15 on the action taken pursuant to these directions.

## Judiciary — Executive balance

From Our Staff Reporter

NEW DELHI, Jan. 5.

Is the attitude of deference towards the established authority of the state really on the wane? If so, can the ball of judicial activism which has been set rolling by some judges in England as well as in India contain this abuse of prerogative power? What, in effect, is the proper balance between the Executive and the Judge?

"A principle is different from a policy. Abuse of discretion is not fair meddling. The preserve of politicians to act in public interest is supreme. The court must respect parliament. Justiciability must be the cornerstone of Justice. The judge must reinforce representative Government, not undermine it," says Professor. Jeffrey Jowell from England.

At a lecture on "The proper Balance between the Judge and the Executive," presented by the British Council here today, Prof. Jowell outlined the rough parameters of the cannons of judicial activism attempting to clear the doubts and queries regarding "Judicial moonshy." He also tried to settle the controversy by stating that it was not beyond judicial wit to narrow down these concepts into general principles.

Prof. Jowell, who felt that utilitarian policies, social and economic actions and rational implementation was best tackled by the State, however, did not subscribe to the view that Judges and

outcome, but they must ensure procedural fairness," he stated.

Outlining the guiding principles of judicial activism, Prof. Jowell said if the executive exceeds the terms of power conferred on them, the judges can intervene. So can they if the state refuses to comply with the statutory provisions. And, they should also see to it that the policy is not sacrificed for principle.

Even in England, judicial activism has been severely criticised by the press and by the executive and in a large number of cases, judges have struck down orders resulting in alarming hostilities and leading to erosion of deference for authority, he said. As politicians are elected while the judges are not, the former has taken umbrage.

Stating that he was fully in agreement with the fact that judges must act in a manner appropriate to the constitutional mandate, Prof. Jowell said Judges were operating in an era where Governments are also weakened. "Judges can provide better guideposts to the State so that the policy is not abandoned," he said.

Prof. Jowell said a democracy of real vitality will be constantly engaged in the search for proper balances. They must see to it that the elected representatives fulfill the legitimate expectations of the people and don't hold them hostage to fortune. "There are limits to judicial review and these must be enshrined in the overall context of justiciability," he said.

Mr. Justice A. M. Ahmedi, the Supreme Court

Chief Justice, said that India was a growing democracy where the state is playing an ever increasing role in the social and economic sectors. "There are bound to be criticisms if the Court interfered with a decision taken by an elected representative. An objective approach must be adopted while viewing that interference."

Mr. Soli J. Sorabjee, former Attorney General, said that Judicial review was one of the techniques for checking or controlling the abuse of power. But the Judiciary, he agreed, cannot effect the transfer of the decision-making right from the legislature and the executive to the courts in respect of matters of policy.

### 'No arms recovered from Bokaro area'

PURULIA, Jan. 5.

No arms, which were dropped from a Russian AN-26 plane in Purulia district on December 17, have been recovered so far from neighbouring Bokaro area in Bihar, according to Mr. Ashtana, Superintendent of Police, CBI, Dhanbad circle here.

Meanwhile, the Purulia Superintendent of Police, Mr. Vijay Kumar on Thursday denied a report in a Calcutta-based daily that the district police had requested higher officials to grant Rs. 50,000 for recruitment of 100 "informers" for collection of arms from Jeypore-Jhalda area of the district. — PTI







economy







# 'Economy poised for rapid growth'

NEW DELHI, Jan. 7.

India entered 1996 with a very strong economic performance achieved over the last two to three years and is poised for a growth rate of six to seven per cent in the next few years, according to the Finance Secretary, Mr. Montek Singh Ahluwalia.

India had clearly got over its crisis. Economy was growing again rapidly, investment was increasing, exports were doing very well, and inflation was down, he said in an interview to a private television network.

Inflation was now down to a new low of about six per cent. About a year ago it was close to 10 per cent. One of the reasons that inflation was down was that the Government had tried to bring monetary expansion under some control. "We have tried to use traditional methods of controlling inflation; besides open economy and a strong balance of payments position have enabled import of anything that is in short supply."

Mr. Ahluwalia said domestically the Government had tried to bring the rate of growth of money supply down so that it would match the growth of domestic production. The two together have helped keep inflation under control.

A major area of concern was the fiscal deficit which was always very difficult to control. "But I think we can control it," he said adding the Government was trying as far as possible to peg it at the budgeted level.

The Finance Secretary dismissed apprehensions that the Government was deliberately slowing down the reforms process in view of the approaching elections. He said "as we approach

elections at the end of the five-year period, most of the things we had set out to do in this period have been done. There is a lot of implementation of earlier announcements that is still going on. Probably what most people have in mind, when they talk of slowing down, is that they want a clearer indication of what is going to happen in the next five years. You will have to wait and see," he said. On complaints that despite the economic reforms and foreign investments, the nation's debt remained the third largest in the world, Mr. Ahluwalia said India's external debt should not be looked at in terms of just its absolute size.

Mr. Ahluwalia said India's economy was the second largest in the developing world. "A large debt by itself does not mean anything. What you have to look at is, what is India's debt service burden." "You have to look at the burden which the debt imposes on our payment capacity. From that point our debt service ratio, that is the ratio of debt service payments to export goods has been coming down." — PTI

## Major narcotics haul

MOGA, Jan. 7.

Police and customs officials today intercepted a truck on the outskirts of Ferozepur with 40 kg of heroin worth Rs. 40 crores and apprehended three smugglers. The senior superintendent of Police, Ferozepore, Mr. Ishwar Chander, claimed that the seizure was one of the biggest ever hauls during the last ten years.

The gang received narcotics from Pakistan and was also involved in ferrying it to Delhi, Bombay and other parts of the country. — PTI

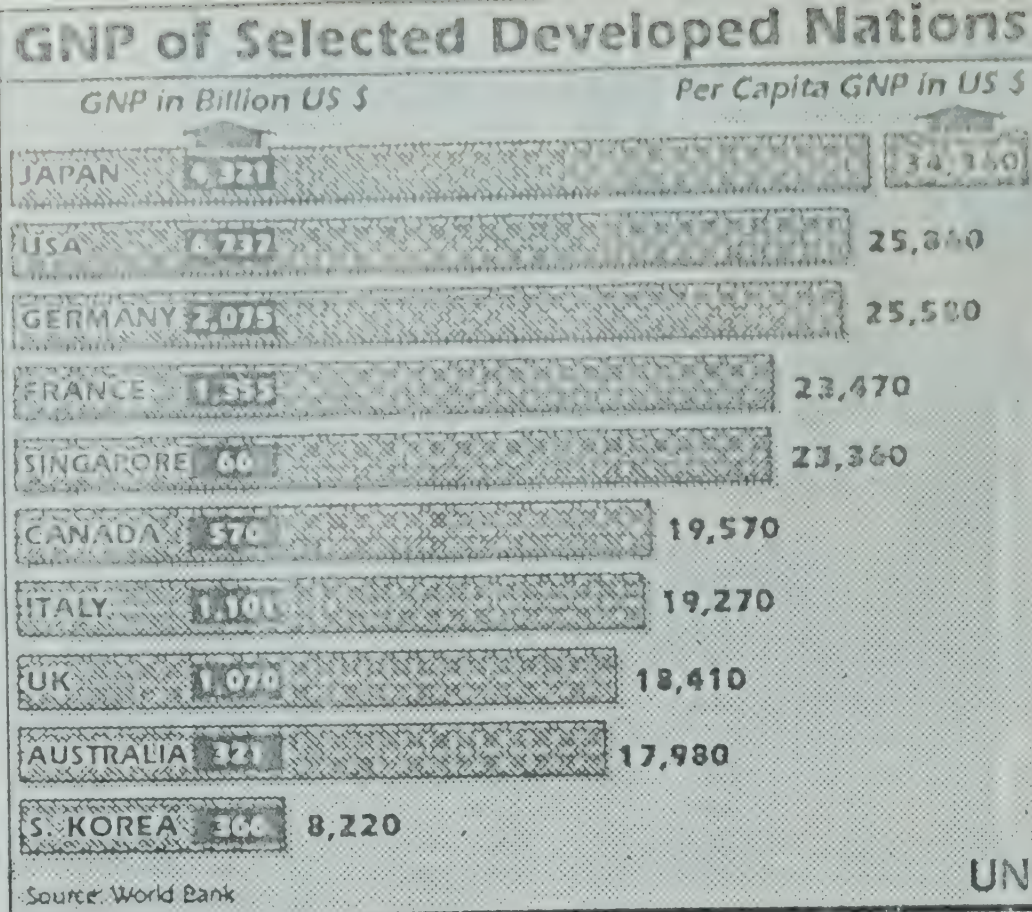
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# RBI relaxes CRR norms

BOMBAY, Jan. 5: The Reserve Bank of India (RBI), in a drastic measure to ease liquidity crunch faced by scheduled commercial banks, today exempted FCNR(b) and NRNR deposits from cash reserve ratio (CRR) prescriptions and reduced CRR on NRE deposits from 14 per cent to 10 per cent from tomorrow, augmenting banks' resources by Rs 2,475 crores.

Exempting FCNR(b) from CRR regulations with effect from the fortnight beginning tomorrow, would enhance resources by Rs 1,200 crore, while similar measure for NRNR accounts scheme would make available additional Rs 715 crores to the banks. —PTI



# IDBI, ICICI told to identify new activities

By Business Times Bureau

NEW DELHI, Jan. 5:

The finance ministry has asked the development financial institutions (DFIs) to clearly identify the new activities to make up for the loss of their traditional business of providing long-term finance for industry.

"These institutions like IDBI, IFCI and ICICI, which are the product of the planning era, are now set to lose their distinctive character as DFIs following deregulation of the financial sector", finance ministry officials said.

As a result of the new policy of having a freer financial sector, most of the DFIs have lost their ability to provide long-term loans at fixed interest rates that were two to three per cent below the short-term lending rates of commercial banks since they cannot raise funds by issuing government guaranteed statutory liquidity ratio bonds that were subscribed to at concessional rates of interest by commercial banks. The deposit rates of commercial banks have been deregulated.

The prime lending rate of DFIs like IDBI is now almost the same as that of commercial banks. But the DFI still continues to enjoy certain fiscal concessions. They also have the expertise for appraising projects. Some of the companies, particularly the smaller ones, may, therefore, pre-

fer to go to them.

"However, in a market related interest rate regime, the number of companies tapping the DFIs is likely to reduce considerably. Good companies will be able get their projects appraised by consultants, still be able to raise funds on their own at the rates offered by DFIs", officials said.

It is, therefore, clear that the DFIs cannot continue to provide long-term finance to companies as they did earlier. Long term finance would form only a relatively smaller portion of their business.

Though some of the DFIs like Industrial Credit and Investment Corporation of India (ICICI) have already started other activities like merchant banking and commercial banking, and others are planning to do the same, a clearly focussed strategy is yet to be evolved. Some of the other DFIs, which are weak, may not find it easy to diversify, a merchant banker said.

"The DFIs will now have to specialise in new financial instruments and activities and improve their efficiency substantially. It is only through these means that they will be able to survive in a market economy as the difference between their borrowing rate and their lending rate becomes narrower", said a financial market analyst.

# India against new issues on WTO agenda

By Business Times Bureau

NEW DELHI, Jan. 5:

India today sought to impress upon Singapore, the country hosting the first ministerial meeting of the World Trade Organisation (WTO) in December 1996, that new issues should not be loaded on to the agenda of WTO without addressing the current issues first.

Commerce minister P. Chidambaram took the opportunity of his meeting with the visiting Singapore trade minister Yeo Chow Tong here today to convey India's opposition to WTO taking up such new issues as the so-called social clause.

Mr Chidambaram said India's primary concern was that there should be progress in implementation of the current agenda of WTO, particularly with regard to market access, before taking on new issues.

Cautioning against the danger of new issues pushing the current agenda of WTO into the background, Mr Chidambaram underlined India's concern about the implementation of the WTO agreements in areas like textiles and services.

The Singapore minister indicated that issues such as competition policy and investment were likely to figure at the ministerial meeting in Singapore. He conveyed Singapore's interest in promoting closer trade and economic ties with India. He said Singapore was equally concerned about market access as most of its industries were export-oriented.



# Prospects for economy in 1996-97

An assessment of the performance of the economy in 1995-96 by the Union Finance Ministry and the Planning Commission is being attempted for determining the prospects for 1996-97 and the measures required for increasing the flow of investment into the core sector and maintaining the tempo of growth. The Planning Commission is understandably worried about the bottlenecks in the railway transport and power sectors and the problems that may have to be encountered in the coming financial year when major decisions will have to be taken about the modification or lifting of controls over prices and reducing significantly the expenditure on subsidies. The severe shortage of power in many regions due to the inadequate inflow into the hydel reservoirs and difficulties in securing adequate supplies of coal from indigenous sources for thermal stations may have a crippling effect on the operations of industrial units particularly in the second quarter of this year.

The bigger industrial units have been

## LEO's Notes

making arrangements for enlarging captive generating capacity with the use of diesel, furnace oil or LSHS and even imported coal as fuel. The shortfall in the rate of growth, if any, can be overcome to a great extent if there is no repetition of the experience of the major hydel projects in 1995-96 due to the failure of the south-west monsoon in some regions and the disappointing performance of the north-east monsoon. But what is heartening is the continued demand for various manufactured goods and the success in efforts of major industries to maximise production and utilise effectively available capacity. But the constraints relating to manufacturing facilities may make it difficult to increase industrial production at the rate of 1995-96 if the expansion and new schemes can not be executed without any slippages.

### Will tempo of growth be sustained?

Even with an improvement in industrial and agricultural production, the revised estimates place the increase in gross domestic product in 1995-96 lower at 5.8 per cent against the earlier expectation of 6.2 per cent. It may of course be emphasised that even a rise in GDP by 5.8 per cent will be higher than the original estimate of 5.3 per cent. But the question is whether the growth rate can increase further in 1996-97 in the absence of any distinct improvement in power availability and a noticeable easing of conditions of the money market.

The economic survey for 1995-96 to be presented to Parliament next month should give an indication of the thinking of the government though many calculations will turn out correct only if the new Government pursued helpful policies and took energetic steps for strengthening the infrastructural facilities and preventing the rupee from deteriorating awkwardly.

The only satisfactory feature is the continuing decline in the inflation rate which was at the lowest level of 6.03 per cent for 121 weeks in the week ended

December 30, 1995 against 10.03 per cent in the corresponding week in 1994. The drop is due to lower prices for pulses and certain types of oilseeds, coffee, cotton, raw rubber and other items. The wholesale price index also was a shade lower for the fourth week in succession. But the inflationary pressures may be felt keenly after the recent depreciation of the rupee has its full impact on imports and the earlier low priced inventories had been fully utilised. The paucity of financial resources and high interest rate should not also be contributory factors.

### Govt.'s bid to reduce inflation rate

The downtrend in the inflation rate has also been aided with the Centre refraining from raising issue prices for foodgrains and sugar and also for administered prices for petroleum products in spite of costlier imports and losses sustained in the oil pool account. The burden of subsidies on fertilizers too has increased with high world prices for nitrogenous nutrients. No increase in pit-head coal prices has been effected even with Coal India representing to the Government that there should be an adjustment in selling prices for avoiding a distinct contraction of margins.

If it becomes necessary to raise prices for the above mentioned products and relax also controls over prices and distribution wherever they exist, the latent inflation may surface and it may be difficult to maintain the downtrend noticed since April last year. The thinking about changes in control over prices and distribution will become clear only if the new Government assumes power by the middle of this year and it is also known that the agricultural sector will perform again satisfactorily.

Again it is important that the budget estimates for 1996-97 should be framed imaginatively and the bridging of the fiscal deficit should not create any serious problems as in 1995-96. It has even been hinted that the fiscal deficit for the current financial year may turn out higher at six per cent of GDP notwithstanding the difficulties in mobilising resources through borrowing in various forms and also under the disinvestment programme. If the fiscal deficit turns out to be larger in absolute terms, the anticipated reduction in revenue deficit and buoyancy in tax revenues may not materialise. If the fiscal deficit gets enlarged as it is indicated, how will the resources be found? The shortfall in gross borrowing through market loans and other financial instruments is yet to be overcome while the gap in resources due to the failure of the disinvestment programme has to be bridged. There may be special credits under some heads for temporarily bridging the gap and the overall deficit also may be substantially higher than the budget estimates of Rs. 5,000 crores. The revised estimates for 1995-96 to be presented to Parliament in the coming months along with the provisional budget estimates for 1996-97 may indicate how the fiscal deficit had been bridged and to what extent tax and non-tax revenues had exceeded the budget estimates and enabled an increase in non-Plan expenditure without any uncomfortable rise in the revenue deficit.



# Any money in the bank, Frank?

HERE I was, at the quivering edge of one of those moments of high financial disaster so familiar to all of you stock market junkies, sinking even now into the doom and doom of *The Economic Times* equity pages while knocking back your fourth Tequila sunrise to keep the spirits up. The monthly bank statement lay on my desk, row upon accusing row of computer printouts informing me coldly that I was in severe overdraft yet again.

On my desk calendar, Friday 13, encircled in red, was a stark reminder that I had to pay the last tax instalment on income I had not yet earned (and given the vagaries of freelance journalism, would I ever?) by the 15th or else. I was hurling uncharitable thoughts at the Income Tax Department, with an admiring and unlawful nod at Harshad Mehta and Co. (boy, did they know their onions or did they?) I opened the buff coloured envelopes that lay threateningly on my desk.

Diner's Club, American Express and Grindlays Gold tut-tutted at the brownie point I had forfeited by not paying my bills on time while, with a triumphant display of hope over reason, offering me weasel discounts on gold jewellery, a time-sharing holiday in Kulu and a set of three leather-bound diaries, from extra large to

pocket size, presumably to record my dwindling income and galloping indebtedness in 1996. Citibank was less supportive. Brisk and pitiless, they informed me that my limit had been exceeded and, as of—shudder—Friday 13, their computer had been ordered to terminate me with extreme prejudice, while all legal and other measures would be immediately instituted to recover the outstanding dues.

With a trembling hand I phoned my bank manager. He was not encouraging. "A loan did you say?"

"Just to tide me over till next month."

"Let's see now, how much do you want?" I told him. "Oh dear. We'll need a formal application, in triplicate, with a notarised asset statement, your income tax payment *challans* for the past five years, a photocopy of your passport and a twelve month income and debt analysis forecast certified by your Chartered Accountants and I'll put it to the credit committee when we next meet."

"How soon?" I asked, near tears.

"Can't say, old boy. New rules. If we sanction the loan and that is a big if, it goes to the Executive Board and then regional headquarters in Hong Kong for final clearance."

"Good Grief."

"Not too bad really. If all goes tickety-boo, your account should be credited by June '96. By the way, you do know that you're grossly overdrawn, don't you?"

Desperate men take desperate measures. I phoned the fly-by-night financial bucket shop with the full page advertisement in "Money Management" and a guttural, *paan supari* voice answered, "Bolo?"

Not, you will agree, a promising start. "I'd like to mortgage my flat for sixty percent of the value. That is what you promised in the ad."

"*Tumhara umar kya hai?*" I told him my age. "Chalo yaar," he said and banged the phone down on me.

I sought enlightenment from my friendly banker. "Nobody will advance against your flat, old chap. Sorry, no pun intended. Over fifty and you're an actuarial dinosaur. Could drop in your tracks at any moment and then what? Shares? Good God, did you say shares? You want to mortgage your shares with the market

*"Spend your illgotten loot unwisely and well, I say. Take a boisterous financial fling at what's left of your future...." Sage advice on the art of flamboyant financial management past middle age from FRANK SIMOES.*

in its death throes? Which planet are you on?" And he banged the phone down on me.

Just then my eleven year old daughter tripped the light fantastic into the study with the sunny, winning smile that always bodes ill for what is left of my overdraft.

"Dad," she said, "Will you lend me Rs. 2500?"

"I am on the verge of bankruptcy."

"Not again Dad? I've seen this groovy pair of black Reeboks. Really cool."

"Reeboks? Are they house broken? What do they eat? And how will the dog and cat feel? Or do you plan to stuff and mount them over the dining table?"

"Come off it, Dad. And thousand five for a really spiffy pair of black Levis."

"I will have no racially tainted Jewish jokes in this house, young lady and, oh well, yes, alright. I can always sell the Patel Phillippe your mother gave me for a wedding present."

"She'll kill you," my daughter said cheerfully, "Thanks, Dad."

Once you cross that dour marker, 50, your hairline is merely the first of your possessions to recede. Your bank balance, as well, dwindles in inverse speed and proportion to the inflation index so sadistically announced every week by

the Reserve Bank of India. That is when the snake oil salesmen crawl out of the woodwork in unholy cabal with fiendishly cunning advertising agencies plotting to make off with your life's savings and take you to the cleaners without leaving you with so much as a friendly Reebok gambolling about the house.

Don't get taken in by these glib displays of altruism writ large. They lie. Wolves disguised as twee lambs. Waving Disneyland placards promising pots of gold at the end of the rainbow. Mutual funds (quoting, for the most part, well below net asset value); company deposits at 13 per cent (7 per cent after taxes when you need 10 per cent net just to keep abreast of inflation); Unit Trusts (never, never land); new equity issues (God help us all); ultra safe bank deposits (whatever happened to The Bank of Karad?); property deals (not, I implore you, if you value you kneecaps), teak forests (is nothing sacred?).

Forget the golden promises. Here is the bottom line. They make pots of money with your money. Consider yourself fortunate if, post inflation, you break even. The promoters of most get-rich-quick schemes do not, by law, have to give you any return at all (teak forests? what teak forests? Eaten to the root by wood worm, my dear chap. Luck of the draw, I'm afraid). It will take you fifteen years in the courts to learn that it is near impossible to prove financial chicanery. And by then you'll

be so broke (have you ever tried not paying a lawyer?) it won't matter.

Spend your ill-gotten loot unwisely and well, I say. Take a boisterous financial fling at what is left of your future. For starters, throw out your wardrobe and get a new one. Piece of cake, with

Swiss hand-crafted shirts at Rs. 3000 a pop, Benzer's suede silk jeans at Rs. 3000 per leg and Zodiac's imported Italian silk ties at Rs. 4000 a throw, with Rs. 15,000 a mere nothing for the Gucci loafers. Where will you show off your new glad rags? On a Kenyan safari, of course, before you embark at Nairobi on a QE II private upper deck cabin cruise at a piddling Rs. 1,50,000 per person and return from Singapore on the Concorde, admiring, en-route, the Cartier you picked up for as little as Rs.5,00,000.

Sell those worthless shares and plunge into a bad, mad frenzy in the *matka* market. Insist on Beluga caviar, foie gras and vintage Bollinger for breakfast.

Have long, intimate lunches at the Zodiac Grill with expensive bimbets (young bimbos, if you must know, and much nicer than the grownup article) and drop her home in your new Mercedes 220E, gifting her a little something from Gazdars to remember you by. It helps as well to have a Reebok or two gambolling about the house.

...and don't forget to make friends with the wolf at the door. He's going to be around for a long, long time. ■



## SC upholds RBI order on service charge bar

NEW DELHI, Jan 7 (UNI)

In a far-reaching judgement the Supreme Court has upheld the validity of a 1993 notification of the Reserve Bank of India restraining non-banking companies from charging any amount from a depositor towards processing or maintenance charges, except allowing a one-time charge not exceeding Rs 10 for issuing brochures/applications.

A Division Bench comprising Mr Justice S C Agarwal and Mr Justice G B Patnaik set aside the judgement off the Calcutta High Court striking down paragraph 4a, introduced by notification of April 19, 1993, providing this restriction.

In order to protect the depositors' interests the court also suggested to the Union government to consider creating a separate instrumentality for supervision and regulating the functioning of these companies, since the Reserve Bank was required to discharge multifarious functions.

The Peerless General Finance and Investment Company had challenged the competence of the bank to issue notification and had also held that it was violative of Article 14 and 19(1) (g) of the Constitution as it fixed a uniform maximum ceiling of Rs 10 towards cost of expenditure for issuing brochure/application forms, servicing the depositors' account irrespective of value of business transacted, quality of service rendered, level of technology adopted in the matter of rendering services. Secondly, despite restrictions on recovery of service charges by non-banking company no similar control has been exercised on other similarly situated commercial banks.

The court rejected both the contentions and said that the bank was competent to insert paragraph 4a under Section 45K (3) of the Re-

serve Bank Act and that paragraph 4a was not violating Article 14 and 19(1) (g) of the Constitution.

The court, however, said that in the absence of material it was not in a position to say that the amount of Rs 10 was fixed arbitrarily or unreasonably.

The court, however, observed that "Peerless can make a representation to the bank for revision of the said amount in the light of the expenses that would be incurred by it on brochure/application forms and servicing depositors' account and, if such a representation is made, the bank shall give due consideration to the same and, if the amount prescribed is found to be inadequate, the bank should revise the same."

### 'Dalit Sena a movement for social change'

SOLAPUR, Jan 7 (PTI)

"Dalit Sena" is not a political organisation but a movement for social change, according to its president and Janata Dal MP Ram Vilas Paswan.

Inaugurating the first two-day State Dalit Sena conference here yesterday, Mr Paswan said power had been given to a handful of people, so "dalits were always being exploited", the situation would change, he asserted.

He said Dalit Sena was not against any caste or creed but considered social revolution as an important task.

Mr Sambhaji Pawar and Mr Ravikant Patil from Karnataka, both JD MLAs, and former MP from Nasik Haribhau Mahale spoke at the conference. State Dalit Sena chief Lalit Babar presided.



# Difficult times for asset management

by C. R. L. Narayanaiah

THERE is near unanimity that the mutual fund business in India has disappointed investors at least up to the advances have been made for reasons of its still nascent stage and the fact that most funds have done better than the benchmark indices. The latter would imply even while they are dependent on fluctuations in the stock market, prudent fund management has ensured that the fall in individual net asset values or their quotations has been less than would have been the case with direct investments made by the investor.

To put it differently, mutual funds in India have not delivered on one promise at least: they have not been more adept at managing funds than the several individuals subscribing to these funds; they rather than the individual investors (who made their corpus) have ensured that the erosion in values has been

## Financial Scene

less. It is mainly because of the adverse circumstances in the stock market that they have not rewarded their investors either in terms of returns or appreciation.

Such logic even if technically correct does very little to win investors' confidence in the mutual funds. At this point in time, two of the country's largest (and also the oldest) mutual funds — both in the public sector — have reneged on their initial promises of specific repurchase prices. In fact none of the fund managers — Indian or foreign, private or public sector — can claim to have a greater demonstrable ability to manage funds than any other.

### Many more entrants

What surprises even a lay observer is that there should be so much interest in setting up new asset management companies (AMCs) that would sponsor still more mutual fund schemes. Even in the conservative South, at

least four well known industrial groups that are also very big in financial services, are in the process of setting up asset management companies.

Given the fact that the stock markets show no sign of perking up in the foreseeable future, it would stretch one's imagination to believe in any tall promise of returns or growth from any new asset management company. So what can be the motivation to start a new scheme?

Diversification into related financial services is obviously a major objective. All the AMCs in India have been promoted by well known financial institutions and banks. Future ones too will have a similar pedigree. However, recent experience suggests that prior experience (or even pre-eminence) in any specific area does not automatically guarantee adequate performance in a new field. The experience of the mutual funds in India amply demonstrates this.

One obvious reason for new players to enter the business is the remuneration that an AMC receives by operating a mutual fund. The existing guidelines on the subject are now subject to revision. The expert committee appointed by the SEBI has reviewed the existing norms and suggested amendments.

### Move for performance based fees

Pointing out that the AMCs have a fiduciary responsibility towards the investors and must therefore be accountable to them for the performance, the committee has observed "that the fees charged should be fair having regard to their responsibilities and the exposures to be borne by them." The fee structure, which is a major component in the expenditure of any fund, should therefore reflect the performance of the AMC. It must reward an efficient manager while penalising an inefficient one.

At present AMCs receive their remuneration and are reimbursed expenses through a variety of heads.

(1) Investment management and advisory fees (as disclosed in the offer document): A

maximum of 1.25 per cent of the weekly average net assets outstanding in each accounting year, up to Rs.100 crores and where the assets exceed Rs. 100 crores, one per cent on the excess over Rs.100 crores.

(2) Expenses incurred by the AMC under the following heads can be charged to the fund: (a) Initial costs of sponsoring the fund and its schemes. (b) Recurring expenses including marketing and selling expenses and agents' commission, brokerage and fees payable to the registrar.

The initial expenses in respect of any one scheme shall not exceed six per cent of that fund's corpus. On the total expenses to be charged to the fund over and above the initial issue expenses there is also a limit. Such expenses should not exceed three per cent of the weekly average net assets outstanding during the year.

Certain expenses such as office space, payment to personnel, preparation of prospectus and its distribution, advertising, sales promotion, accounting services and insurance coverage, should be borne exclusively by the AMC.

It has been observed (the committee has pointed it out too) that the existing guidelines are sufficiently vague to have allowed AMCs to charge a variety of expenses to the fund. These ought to have been borne by the AMCs themselves.

That has been the practice in most other countries. The committee has concluded that if mutual funds are to operate successfully in a competitive environment it is necessary that the return to the investor should be comparable to the return offered by competing investment avenues. Besides, the limits on expenses are intended to be a ceiling with the actual expenses expected to be well below the limits.

The expert committee has suggested a two part fee structure — a basic annual fee, which is to be calculated as a percentage of the average weekly net asset value of each scheme and an additional fee which is to be calculated on a suitably defined 'net growth'



**AGRICULTURE** / Production lags behind for want of proper policy initiatives, while development takes the back seat.

# Farmers must get a boost

**D**ESPITE reports that the Indian economy has been making comprehensive progress in the last four years, the strides taken by the agriculture sector leave much to be desired. The sector continues to be in a dismal state whether assessed in terms of the needs of the country or international production standards. While the kharif crop is estimated to fall below the target set, the rabi production estimate has already been scaled down.

Production of wheat, rice and cereals has also been seeking lower levels. And the neglect and exploitative system imposed on farmers have, as explained by an expert, "made rural India the largest and poorest habitation of humanity on earth."

Surprisingly, the Government has only managed to make the situation worse with each of its so-called benign actions. The erratic pattern of fertiliser consumption is an example. The Fertiliser Association of India has, without mincing words, accused the Government of mishandling the fertiliser subsidy.

It decontrolled nitrogenous fertilisers, leaving urea untouched. As a result, the consumption of urea shot up while that of nitrogenous fertilisers dropped. This imbalance is sure to cause a fall in soil fertility, which, in turn, will tell on food production.

Thus, in the absence of appropriate Government policies and a support system even the per capita income of the Indian agriculturist is estimated to have declined to \$5,110 against \$4,400 for his counterpart elsewhere in the world. It is also true that the per capita income of the Indian farmer

is one of the lowest in the world, the quality of life too is much below the world average with illiteracy rates above 60 per cent and infant mortality rate at 85 per 1,000 against 35 per cent and 48 per 1,000 respectively.

A look at the acreage left as wasteland is illustrative. Miles upon miles of land is left barren for some reason or the other. Despite the existence of organisations for reclaiming wasteland, it is private companies which have found a way to exploit this vast chunk with huge potential.

They test the soil to determine what crop or tree can best be grown there, provide drip irrigation and appropriate fertilisers and make a fortune out of it. With a bit of imagination and effort the Government could have helped the farmer do this years ago.

India is one of the few countries which have plenty of cultivable land, an abundant supply of water (provided it is tapped appropriately) and moderate temperature which are best suited to agriculture. Yet, the productivity is the lowest compared with the world average with the growth rate a mere 3 per cent in 1980-90 when even Nepal, with 3.6, and Pakistan, with 4.4 per cent, were ahead. In the era of reforms it has shrunk to less than two per cent.

According to one estimate, the national income from agriculture rose by just 1.1 per cent per annum, while the population grew by 1.9 per cent between 1990 and 1994. Poor profitability and growth in agriculture have also led to curtailment of capital investment. The root cause of all this is the failure to ensure adequate prices for farm produce. This and re-

moval of controls over the farm sector would work better than giving old-age pensions and mid-day meals.

What is needed to eradicate poverty is generation of additional income. Sociologists have said it is an insult to rural Indian to believe that children will attend schools just to get a meal for less than a rupee. It would surely be more productive to help the villagers produce more and get a fair deal in the marketplace. The only way to eradicate rural poverty is to equip the farmers and their offspring to produce more and by ensuring a fair return for their labour.

In many states, farmers have started switching to cash crops and horticulture which was a good move for a wrong reason — the 'judiciously fixed minimum support price' offered by the Government does not even cover the cost of production. This leads to a chain reaction: the farmer has to sell more of his produce and take loans at high rates to buy agricultural implements which are expensive.

The Government should have thought of first providing good education to the rural children so that they gain knowledge about what is good for them and what is not. This, as everyone knows, is one sure way of promoting social justice. But the funds allocated for the purpose are still less than four per cent of the national income compared with the six to 10 per cent provided by progressive governments everywhere in the world.

No wonder 40 per cent of the rural schools still have no roofs, 37 per cent had no blackboard and

over 50 per cent had no grounds. To top it all, most of them had just one or a maximum of two teachers.

Despite such a dismal picture of rural India the Government neither felt the necessity of reducing its size nor of reducing non-development expenditure. This extravagant handling of public funds has only resulted in liabilities of the Union Government going up by one lakh crore in 1994-95 over the figure maintained in 1990-91.

Even now it is not too late to take appropriate steps to raise agricultural income. The 83rd Indian Science Congress, held in Pune recently, too has recommended initiation of sustainable integrated development strategies based on characterisation and continuing monitoring of land and water resources to achieve increased cultural productivity on a sustainable basis.

The steps suggested include conservation of topsoil, water, and other natural resources, improved productivity, environmental protection and preservation of bio-diversity. In this connection the Congress has recommended that allocation for research and development be increased from one per cent at present to three per cent, that for education from three to six per cent and for health care from two per cent.

Experts suggest a three-pronged strategy earlier which comprised extension of area under cultivation, raising productivity and allowing the prices of farm products to find their level.



**FINANCE / An over cautious approach to curb money supply and inflation is the cause for the present liquidity crisis.**

# Passing phase proves costly

BANKS have been suffering a serious liquidity problem of late. Things have reached such a stage that the industry ministry has declared that industrial production will be gravely affected during 1996-97 if the present trend continues. With overt indications of decelerated production in key sectors of the economy, the Government has nevertheless attempted to sound optimistic by stating that by the end of the current fiscal year there could be a growth rate of 10 per cent.

The Indian Banks Association (IBA) has proposed selective lending restrictions to assist member banks in combating the problem of liquidity. Given that banks in general have almost run out of funds, the IBA has called for a kind of rationing system rather than a total halt to disbursements especially in view of the forthcoming general elections.

The Reserve Bank of India (RBI) has already relaxed credit controls for NRI deposits and though this is expected to provide some improvement to the overall liquidity problem, those who are likely to benefit will be the larger public sector banks and foreign banks operating in the country.

But sources in the banking industry point out that the medium and smaller banks in particular will be the losers since they do not attract a substantial amount of NRI funds. Even so, according to RBI estimates, the credit relaxation on NRI deposits would release an aggregate of Rs.2,475 crore.

Taking into consideration the fact that four State Governments plan to raise a third tranche of state development loans to the extent of Rs.900 crore, banks will be 'forced' to subscribe to these loans, added to which is the Centre's completion of its market borrowings programme during the last quarter of the current financial year. Thus, the Government would be taking up more than what the RBI releases. That the Government is partly to blame for the liquidity crisis is evident from

the fact that public sector banks have been complaining to the IBA about slow deposit growth and the intense pressure on liquidity generated both by industry and the Government.

Mr Deepak Banker, president of the Federation of Indian Chambers of Commerce and Industry (Ficci) has said the long-standing liquidity crunch would not only affect industrial output but also the overall buoyant economic scene. According to him, an 'over-cautious' approach in curbing the growth of money supply

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***The liquidity crunch coupled with negative growth rates are expected to have a cascading effect on economic growth.***

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to prevent inflation has given rise to the present crisis.

Banks and financial institutions have also been resorting to portfolio investment in Government securities instead of putting their funds in risk ventures. He urged that a package of measures be forthwith introduced especially in the matter of making available short-term funds and working capital to small and medium units before the situation affected the entire industry.

FIs have been asked to consider their credit allocations because the general opinion is that long-term credit to the infrastructure sector has risen a great deal, causing a crunch in the short-term and working capital requirements of the other sectors. As of now, there has been a growth in capital goods imports but the same

has not compensated for past decelerations in domestic output.

The Government claim that there would be a growth rate of 10 per cent in the current fiscal year has some basis. It is a rule that industrial recovery picks up in the second half of the financial year and the index of industrial production itself has shown a growth rate of 10.7 per cent during April-October 1995.

A steep growth in consumer goods categories which has a 24 per cent weight in the index of industrial production (IIP) means higher industrial growth overall. Consumer durables recorded a growth rate of 23.7 per cent during the first five months of the current fiscal year while non-durables showed a growth rate of 10.8 per cent. The capital goods sector has however shown much volatility see-sawing from 27.8 per cent during April last year to 1.6 per cent in July and rising to 12.8 per cent in August. Thus, the Government is more concerned with stability in this area since there has been a sharp fall in output during the first three years of reform.

Meanwhile, at a time when banks are going through a trying phase, 13 private sector banks have joined hands to form the Private Sector Banks Association (PSBA). As compared to public sector banks, these have not suffered much on account of the liquidity crisis. Their average rate of deposits has been growing at a higher rate as compared to that of the general banking system and at the end of March last year, their aggregate deposits amounted to Rs.26,430 crore while advances amounted to Rs.13,980 crore and profits to Rs.359 crore.

Public sector banks have not been faring similarly and in the final analysis, the liquidity crunch would not hit them alone, but India's economy as a whole.



**FINANCE** A liquidity crunch coupled with a rising demand for credit, has forced financial institutions to cut back sanctions to corporates.

# Down to a trickle

**F**INANCIAL institutions in the country have been hit by a severe liquidity crunch. At the start of the credit season, which is a busy period, financial institutions have been unable to cope with the rising demand for credit and have been forced to cut down drastically on sanctions to corporates.

While this has been attributed to a severe liquidity crunch, the biggest financial institutions (FIs) in the country, like the Industrial Development Bank of India (IDBI), the Industrial Credit and Investment Corporation of India (ICICI) and the Shipping Credit and Investment Corporation of India (SCICI) have taken the lead in bringing sanctions down to a trickle. The Life Insurance Corporation of India (LIC) was the one to bring sanctions to a complete halt last November.

Mr A Lahiri, chief general manager of IDBI, has said that overall appraisals have registered growth. But the market is tight and the upshot is that interest rates have gone up, reflecting the shortage of funds. While more corporates have been approaching banks and financial institutions, the situation has reached an untenable level. He observed that growth in IDBI sanctions would go on but a wait-and-watch attitude would have to be adopted. With the current financial year ending in March 1996, a clearer picture is expected to emerge.

IDBI has brought out statistics on all-India financial institutions indicating that while LIC halted sanctions in November 1995 against Rs.151.90 crore in November of 1994, sanctions fell from Rs.496.70 crore in October 1994 to Rs.136.60 crore in October 1995, a fall of 72 per cent.

IDBI itself suffered a decline in sanctions by 65.20 per cent in October 1995 and by 33 per cent the following month. ICICI was marginally better with sanctions falling by 45.30 per cent in October and 12.8 per cent in November. SCICI on the other hand, recorded a slide of 52.90 per cent and 2.4 per cent in the same per-

iod.

The Industrial Finance Corporation of India (IFCI) was an exception to the general trend with sanctions registering a smart rise of 38.70 per cent from Rs.889.60 crore in October 1994 to Rs.1,216 crore in October 1995. In November, IFCI sanctions increased by 111 per cent to Rs.876.60 crore from Rs.414.80 crore in the same month of 1994.

Unit Trust of India (UTI) and the General Insurance Corporation (GIC) recovered during November 1995 after cutting back during Octo-

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***While FIs are hoping for an end to the liquidity crunch soon, the situation is expected to continue for another couple of months.***

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ber. During that month they reported lower sanctions of Rs.443 crore and Rs.126.80 crore respectively (declines of 62 and 13 per cent respectively).

In November, UTI staged a recovery with sanctions of Rs.663.20 crore, up by 48.2 per cent over the corresponding period of the previous year while GIC showed a spurt by 26.5 per cent in November to Rs.137.80 crore.

According to IDBI's compilation, there are other financial institutions which have also shown a liquidity crunch. These include the Industrial Reconstruction Bank of India (IRBI), Risk Capital and Technology Finance Corporation (RCTC), IDBI's subsidiary, namely the Small Industries Development Bank of India (SIDBI), the Technology Development and Investment Corporation of India (TDICI) and the

Tourism Finance Corporation of India (TFCI).

Financial institutions in general recorded a negative growth rate of 40.4 per cent in October 1995 and 3.8 per cent in November 1995. It takes into account the aggregate sanctions of a dozen top institutions across the country. They amounted to Rs.3,888.50 crore in October and Rs.5,295.40 crore in November.

However, if one takes into account the period from April to November 1995 the picture is somewhat different. In fact, according to an FI spokesman, though there was the expected tightening of sanctions during the last months of the period, it is noteworthy that what is normally considered the slack period (April to September), in reality witnessed a spurt in credit offtake. IFCI was the FI with the highest sanctions.

The others were RCTC with a 200 per cent increase from Rs.4.6 crore to Rs.13.5 crore, SCICI with a 66 per cent rise from Rs.2.4 crore to Rs.3,866.80 crore, TFCI with a 100 per cent rise from Rs.112.90 crore to Rs.172.60 crore, SIDBI with a 100 per cent rise from Rs.2,178.30 crore to Rs.2,923.90 crore, LIC with a 100 per cent rise from Rs.513.80 crore to Rs.612.40 crore and GIC with a 100 per cent rise from Rs.12,070 crore to Rs.13,317 crore.

In contrast, one of the country's principal financial institutions, UTI, recorded a slump in sanctions during the April-November 1995 period with a fall of 55.4 per cent from Rs.5,900 crore in the same period of 1994 to Rs.2,600 crore. LIC was also down on sanctions with a fall, though marginal, of 4.2 per cent from Rs.1,395.10 crore to Rs.1,336.80 crore.

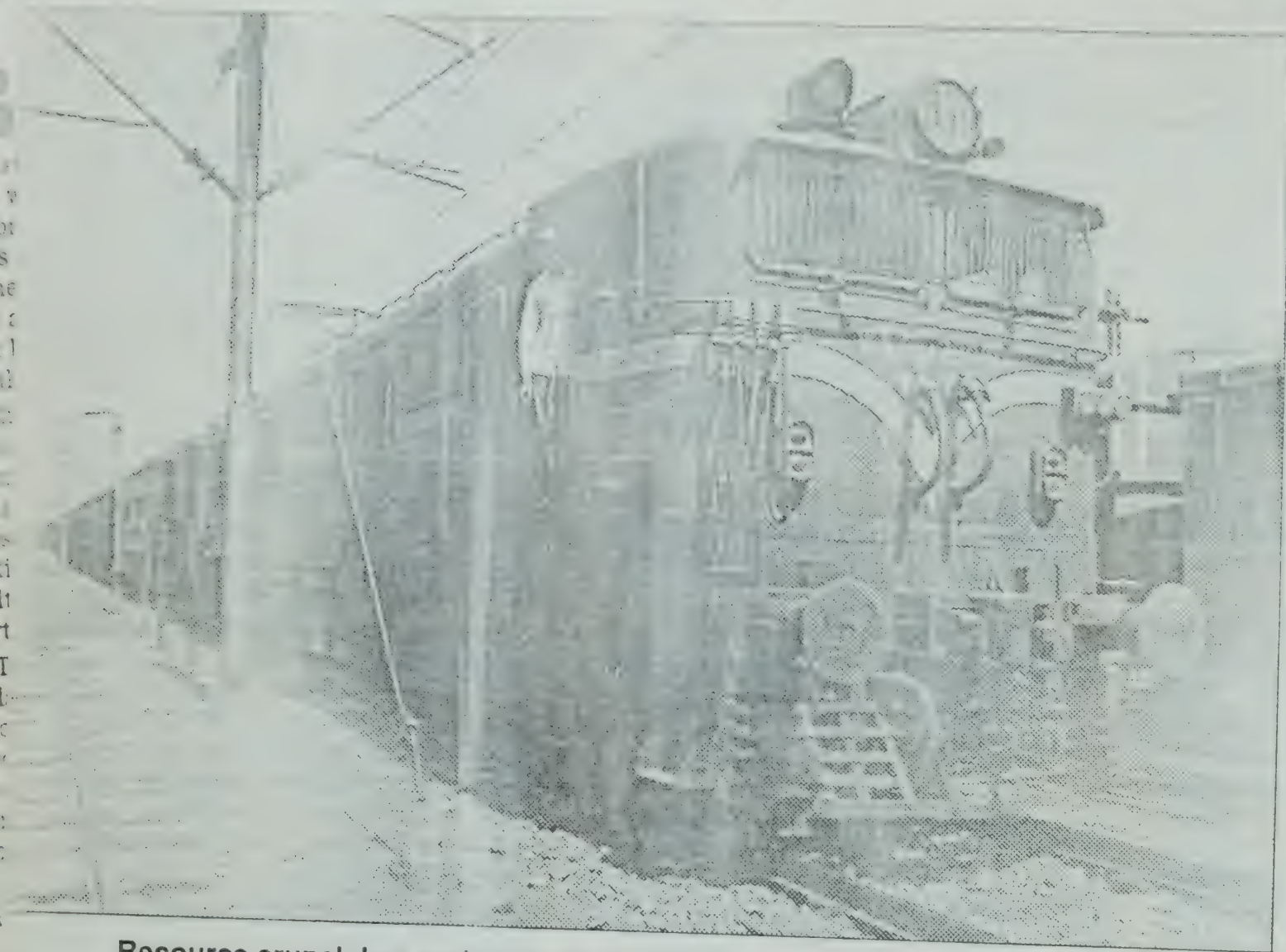
While financial institutions have expressed optimism over the change in market conditions and an end to the liquidity crunch, the situation is expected to continue for another couple of months at least till the end of the current financial year.

**Russell Fo**  
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**RAILWAYS** / Unable to raise resources internally, the Railways face further trouble as the Finance Ministry opposes a hike in budgetary allocation

# At the mercy of the market



**Resource crunch has seriously affected the Railways modernisation plans.**

**T**HE Indian Railways, dogged by a resource crunch, continue to run on a tough track. While the Rail Bhavan, the headquarters of the ministry, finds it difficult to raise resources internally, the Finance Ministry is not in favour of increasing the budgetary allocation to the railways. Instead, it is believed to have even advised the railways to further reduce the demand for budgetary allocation for 1996-97 from last year's level. This, the senior officials of the rail ministry believe, would deal a telling blow to the ministry in its efforts to upgrade its systems. It may even put the ministry's modernisation schemes on hold while the amount being spent on a safety apparatus, which it is incorporating in its systems, will have to be pruned.

For 1996-97, the railways have proposed an annual plan of Rs.8,600 crore which is over Rs.1,000 crore more than the current year's plan size of Rs.7,500 crore. It has decided to seek budgetary support of about 33 per cent, approximately Rs.2,830 crore. However, the Finance Ministry is to have returned the file seeking budgetary support and has asked the Railways to reduce it

from the 1995-96 level of Rs.1,100 crore. This, despite the fact that Prime Minister P V Narasimha Rao himself heads the Railway Ministry as its cabinet minister and Minister of State Suresh Kalmadi himself has urged the PM to ensure an increase in budgetary support.

The Railways will be in trouble if the Finance Ministry stubbornly

(15 per cent of the outlay) was at the same level as in the previous year of 1994-95. If the Finance Ministry has its say, the Railway Ministry will be forced to reduce it.

This means that as in the current fiscal, next year too the Railways will be at the mercy of the market. This year, the Indian Railway Finance Corporation (IRFC) has been given the responsibility of raising Rs.2,250 crore as inter-

***If the current trend continues, the Railways would end up paying more to the Indian Railway Finance Corporation by way of interest on loans than the loan amount itself.***

refuses to give it more money, and it will be forced to rely on its internal resources and on the market, which is not showing any signs of revival.

So far this year, the performance of the railway subsidiaries in raising funds has been dismal. Even in the 1995-96 fiscal, the budgetary level of Rs.1,150 crore

nally generated resources were pegged at Rs.4,100 crore. The IRFC has just floated its bonds in the market — in the ninth month of the financial year — to raise the first instalment of Rs.250 crore. Official sources indicate that the response so far has been discouraging despite the fair credibility rate that the IRFC enjoys in the capital market. The IRFC expects the re-

***The Railways plan to mop up Rs.800 crore from the private companies through build-own-operate and transfer scheme has remained only on paper.***

maining Rs.500 crore from bonds and public issues. It has the uphill task of raising the balance in just three months of the fiscal year. Market trends suggest that the borrowing has to be done at heavy interest rates for which the Railways would have to repay heavily to the IRFC.

Besides IRFC, the Railways have ambitious plans to mop up Rs.800 crore from the private companies through the Build-Own-Operate-Transfer basis but this has remained on paper so far except for Rs.60 crore realised from the Viramgam-Mehasana broad gauge project.

Observers feel the modernisation efforts of the ministry may take a backseat if the current trend continues. During the year, especially after the tragic accident at Faizabad in which over 300 people were killed, the Railways have laid stress on beefing up safety systems, increasing the allocation for modernisation of the telecommunication network by Rs.100 crore to a total of Rs.475 crore. This scheme would include modernisation of signalling and track circuiting. After Mr Kalmadi took over, he allotted Rs.200 crore for radio communication which links the driver and guard of a train with the two railway stations. Sources, however, fear that the financial crisis will retard the modernisation drive.

The Railways are, therefore, heading for a drastic cut in their plan size. Perhaps the next Government may resort to a hike in tariffs for both passenger and freight, a task no new Government would like to be greeted with.

**E S Arun**  
in New Delhi



INDIA

INTERNATIONAL

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# An intellectual event

## Noam Chomsky's India visit

V. K. RAMACHANDRAN

THE visit to India of Noam Chomsky – the founder of the modern science of linguistics, and social and political theorist, commentator and activist – was an important intellectual-political event. Professor Chomsky, who is Institute Professor at the Massachusetts Institute of Technology (MIT), was invited to India by Jean Dreze and his colleagues at the Centre for Development Economics, Delhi School of Economics (whose guest he was in Delhi). His other hosts in India were the Government of West Bengal; the Department of Linguistics, Central University, Hyderabad; the Centre for Development Studies, Thiruvananthapuram; and *Frontline*.

Even by Chomsky's standards, it was a packed speaking schedule. He spoke on a wide range of subjects: he delivered technical lectures on linguistics at the Central University, Hyderabad and spoke on "Language and the Mind" at Delhi University; he spoke to audiences in Delhi University and the Jawaharlal Nehru University on the "Vicissitudes of Democracy" and on "World Orders, Old and New"; in Calcutta he spoke on "Markets and Democracy" at a meeting organised by the Department of Information and Cultural Affairs, Government of West Bengal and on "U.S. Foreign Policy Today" at the University of Calcutta and met the Vice-Chancellor and students of Rabindra Bharati University; in Hyderabad, he spoke on media issues and on the contemporary role of intellectuals, and, in a speech at the Sundarayya Memorial Hall, on U.S. foreign policy; and spoke also at the Centre for Development Studies, Thiruvananthapuram.

Just as his days in India were packed, so was every meeting-place at which he

spoke. And for the rest of each day, there were always persons who wanted to meet him: to talk to him, interview him, ask him questions on linguistics or politics, to share their experiences with him, to show him a translation or present him a book, or to ask him to autograph a copy of a book written by him. Chomsky has written that "being separate from and critical of established

every school of linguistics tends to define its position in relation to his." Chomsky defined the idea of a grammar as the explicit formulation, and one that has explanatory as well as descriptive power, of the knowledge of a language as acquired (rather than consciously learned) by a native speaker. In the recent book *The Language Instinct*, the cognitive psychologist and



At the Calcutta Raj Bhavan, Noam Chomsky with Governor K. V. Raghunatha Reddy (left), wife, and West Bengal Minister for Information and Cultural Affairs Buddhadeb Bhattacharya.

institutions carries costs and annoyances, but also joys and opportunities, not least the contacts that develop with people of a similar cast of mind and similar interests and concerns." The thousands of people who met him and listened to him in India were striking evidence of the respect and admiration in which he is held internationally.

★ ★ ★

Noam Chomsky is the most important figure in modern linguistic science. "The effect of Chomsky's ideas has been phenomenal," reads the entry on linguistics in the *Encyclopaedia Britannica*. "It is hardly an exaggeration to say that there is no major issue in theoretical linguistics today that is debated in terms other than those in which he has chosen to define it, and

popular science writer Steven Pinker writes that

Chomsky called attention to two fundamental facts about language. First, virtually every sentence that a person utters or understands is a brand-new combination of words, appearing for the first time in the history of the universe. Therefore a language cannot be a repertoire of responses; the brain must contain a recipe or programme that can build an unlimited set of sentences out of a finite list of words. That programme may be called a mental grammar (not to be confused with pedagogical or stylistic "grammars," which are just guides to the etiquette of written prose). The second fundamental fact is that children develop these com-



plex grammars rapidly and without formal instruction and grow up to give consistent interpretations to novel sentence constructions that they have never before encountered. Therefore, he argued, children must innately be equipped with a plan common to the grammars of all languages, a Universal Grammar, that tells them how to distil the syntactic patterns out of the speech of their parents.

Chomsky's work in linguistics has significant inter-disciplinary implications; for study, for instance, in philosophy, cognitive psychology and computer sciences, to name a few areas of research that have been deeply influenced by his work.

Chomsky has been a teacher of linguistics at MIT for about 40 years

lar, a specialist on U.S. policy in West Asia and Latin America), and he is a leading analyst of the role of the "secular priesthood" – mainly the press and academics – in manufacturing consent and constructing dominant socio-political ideologies in the United States. Another, more recent, research interest of Professor Chomsky's is the effect on the working people and the poor of the economic policies imposed by the countries and institutions of the so-called "Washington consensus."

Noam Chomsky's academic achievement and range are unique in the world today. Pinker points out that Chomsky is among the ten most cited writers in all of the humanities today, and the only living member of the top ten. The list reads Marx, Lenin, Shakespeare, the Bible, Aristotle, Plato

Government of West Bengal (Dasgupta's Ph.D. is from MIT, and he recalls the influence Chomsky's lectures on socio-political issues had on him as a student). At every place in the village (the panchayat had been told of the visit only the previous evening), first in the gram panchayat office, later in the primary schools, at public water-sources, at a milk cooperative, and in the huts of poor peasants, there was no mistaking the genuine warmth and hospitality with which he was received.

The panchayat has 18 members, of whom six are women and seven are from the Scheduled Castes and Tribes. There is one schoolteacher among the members, the others are agricultural labourers and peasants with small or marginal plots of land. Chomsky was met by the village *pradhan*, Rajab Ali

Khan, and men and women of the panchayat, and they sat down for a detailed question-and-answer session. I consider myself most fortunate to have been present at the session. On the one side, Chomsky's questions – detailed questions, asked in a spirit of humility and solidarity – went straight to the heart of the matter. They concerned the role of mass organisations in the process of public administration and the two major features of Left Front achievement in the countryside, land reform and panchayats. On the other side, the confidence and experience of the panchayat members, their sense of engagement, and the frankness and clarity of their replies (often supported with references from maps and personal note-books) exemplified the nature of change in the Bengal countryside under the

Left Front. Chomsky later said there was "convincing evidence of direct participation and engagement in problems. Like the people we asked questions to weren't prepared for the questions. But they were peasants and agricultural workers, they knew the answers, they thought the questions through, other people broke in – and that's democracy. You don't see that very often."

Asked to sign an impromptu gram panchayat guest-book, Chomsky wrote: "I'm very impressed with what you are achieving. A real inspiration. Best of luck and thank you for the most interesting presentation and warm hospitality (particularly the little girls, about the age of my grand-daughters)."



At Rabindra Bharati University, with Vice-Chancellor Prof. Pabitra Sarkar (right) and Buddhadeb Bhattacharya.

now. In a recent conversation, he said he did not remember having missed a class in 40 years; "well, maybe if I was very sick, but I don't remember it."

Since the 1960s, from the period of protest against U.S. aggression in Vietnam, Chomsky – who grew up in working-class Pennsylvania, influenced by socialist and Communist discussion and movements of the time – has been a powerhouse of the American Left, and a very important influence on and source of inspiration for people on the Left all over the world, including socialists and Communists who have differences with aspects of Chomsky's libertarian-socialist and anarchist views. Chomsky is one of the most important commentators today on U.S. foreign policy (and is, in particu-

and Freud, followed by Chomsky ("beating out", Pinker writes, "Hegel and Cicero").

Noam Chomsky was a State Guest of the Government of West Bengal. For Chomsky personally, an important event of the trip to India and to West Bengal was the day-trip he made on January 15 to Radhamohanpur-I gram panchayat in the Debra Panchayat Samiti, Medinipur district, a village panchayat that he described at the end of the day as a "model of democracy". Medinipur district is an area of decades of peasant struggle; it has also been an advanced district in respect of progress in land reform and panchayat development.

Chomsky was accompanied by Asim Dasgupta, Minister of Finance,







80 or 90 per cent of its population, including some of the poorest people in the world, it was always a complete disaster.

Brazil was one economic miracle; we have just had another in Mexico, which followed the rules even more scrupulously. From 1982 through 1984, Mexico was like a very obedient child, and until December 1994, it was a great economic miracle. The number of billionaires went up about as fast as the poverty rate did, real wages declined by about 50 per cent, the infrastructure collapsed, and American corporations were making a mint by moving in to get cheap labour and protection from environmental regulations. And for a section of Mexicans – the financial sectors, the new billionaires – it was great. The number of billionaires in Mexico went up from one

to 24 from about 1986 to 1992, mostly because of privatisation, that is, from plundering public resources at a fraction of their costs (privatisation was essentially a giveaway of public resources to the friends and family of Mexican President Salinas). For most Mexicans it was bad enough until 1994, but since the collapse of December 19, 1994, it has been an absolute cataclysm.

tic agriculture. The goal was also to drive farmers to produce special crops for agro-export; agro-business thus gets a double pay, on imports and exports. And that is what happened: the peasants could not produce for the domestic market any longer, since cheap American corn was flooding Bolivia, and they turned to the crop that they could export and make the most money on, which happens to be coca. This, then, is part of the reason for the huge explosion in narco-trafficking in recent years. The share of Bolivia in world exports of coca has risen very high and is estimated by economists as constituting half to two-thirds of Bolivia's exports. Bolivia now has the highest rural poverty in the world, with about 95 per cent of the rural population in poverty.

Chile is an interesting case. After the

it all away again, and began another phase of liberalisation.

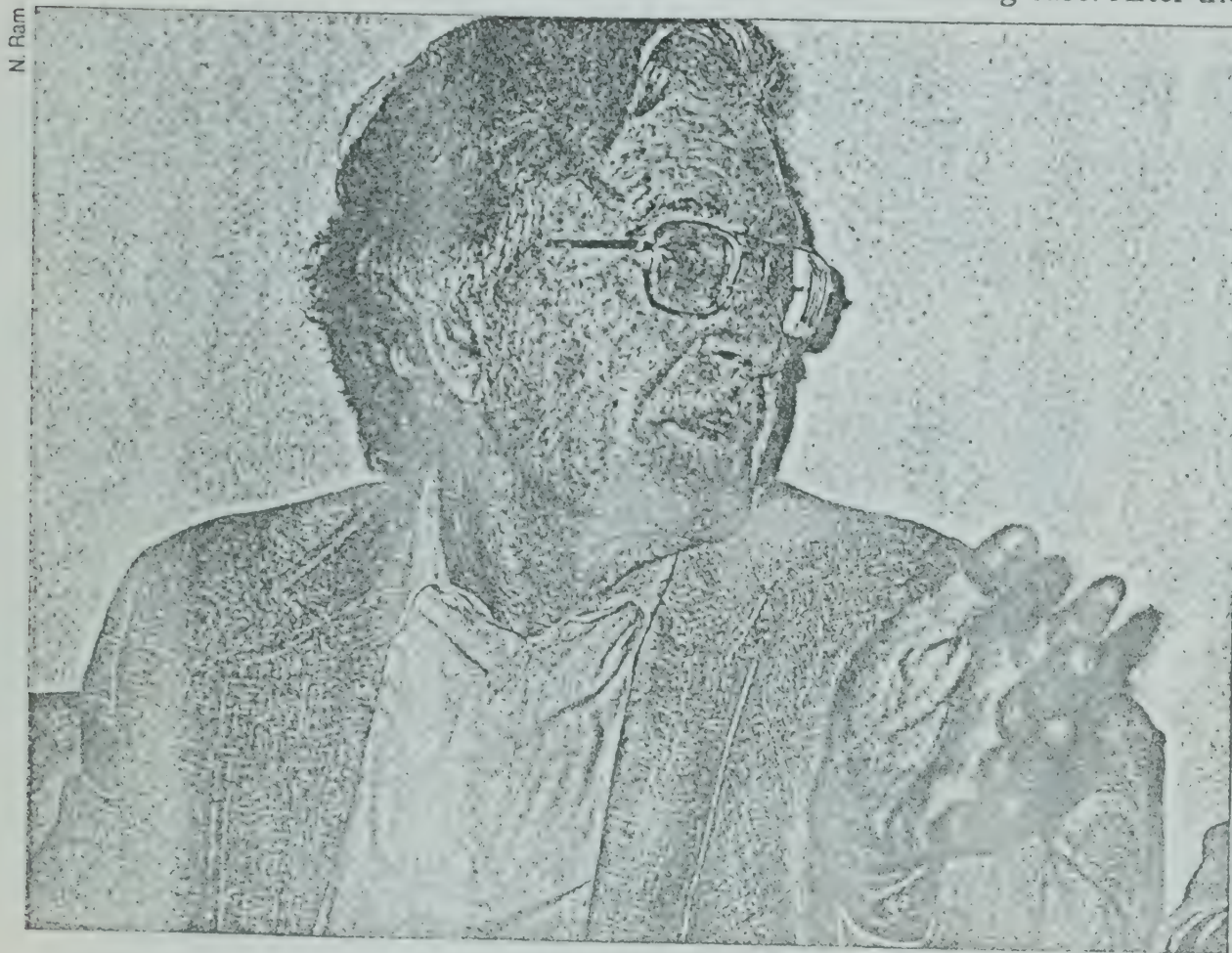
There was growth: the poverty rate grew from 20 per cent to about 44 per cent. Since the overthrow of the military government and the return of civilian government (it has a moderately social-democratic history), that proportion went down somewhat, but is still much worse than it was in 1971.

A very substantial social change has taken place in Chile. Chile was a democratic society with much popular participation, a functioning civil society in which people took part in community-based activities and mutual support. That has changed. Every sociologist who has studied the question says that Chilean society has become highly atomised, a society in which people work for themselves, trying to get ahead as best as they can. That kind of change is not easy to measure, but it is a real one, and is another consequence of these policies.

Policies of globalisation and liberalisation are designed explicitly to cut back social spending, including health and education investment, and to increase inequality – about that there's not much debate. The World Bank itself, on the one hand, concedes that the major factors in successful economic growth are relative equality, high education levels and good health standards; on the other hand, they compel every country that they get their hands on to undermine these very factors. Their studies of the Asian NICs (newly-industrialising countries), which bend over backwards to try to show that it really was the market at work – a pretty comical effort – concede that major factors in the growth of these countries were that, compared, say, to Latin America, South Korea and Taiwan were egalitarian and put plenty of resources into land reform, primary education, and health. Those very significant factors in their growth are what the World Bank is destroying in Latin America and Africa, and in Eastern Europe and India.

► This question relates to *Robert McNamara's In Retrospect: A Tragedy and Lessons of Vietnam*, which characterises U.S. involvement in Vietnam as "an error, not of values or intentions, but of judgment and capabilities"; would you comment on that characterisation?

There was a big reaction to the book and the reviewers were split. This is the spectrum: there were those on the left who called it the Left in the U.S. and in the peace movement, who praised McNamara for finally admitting the peace movement and that it was always correct, and then there



Bolivia is considered a great success (and Bolivia is what sent Jeffrey Sachs into orbit). The inflation level is low, exports are very good, and the population, as usual, is collapsing. The reason why exports are good is that the country followed the prescriptions: it "liberalised", which means that it opened itself up to imports of subsidised U.S. agro-exports, which destroyed domes-

Allende Government was overthrown by a coup in 1971, it was ruled by a group of fascist generals, so the Chicago boys were able to implement economic rationality without any concern for public reaction, on the reckoning that if 'you torture enough the public doesn't react. Through the 1970s: fantastic economic miracle. In 1982: collapse, and the worst economic crisis in fifty years. A Hayekian libertarian think-tank advised the Government to nationalise a huge part of the economy to bail out private enterprise. That was done, and in 1982, the Chilean Government was running more of the economy than at the peak of the Allende period. But only for a short time, because after the crisis was overcome by means of a public bail-out, the state began to give



...the United States...  
...the United States...

...apologised to...  
...he imposed...  
...the harm to...  
...the apology. Remember...  
...occurred right at...  
...there was great debate...  
...why the Japanese weren't apolo-  
...sufficiently for what they did in...  
...they apologised quite a...  
...Suppose that what they had done...  
...was to apologise to the people of Japan...  
...for the costs to the Japanese people of...  
...the tragic errors and miscalculation of...  
...Japan's government; that would have...  
...caused an utter furor, and that is the...  
...equivalent of what McNamara did.

McNamara has a very narrow focus, and he does not understand what the international business press understood twenty years ago. For instance, in the early 1970s, *Far Eastern Economic Review* was already pointing out that the U.S. had won the war (I thought that around 1970). The initial concerns of the U.S. were the usual ones – in the 1950s, Indo-China was taking off on a path of independent development, one that looked as if it could be successful. This success was perceived as being a virus or a rotten apple, a model that others would want to follow, and the rot could spread through Southeast Asia, ultimately to Indonesia, and maybe even Japan. Finally Japan would have to accommodate to an East Asian system from which the United States would have to be excluded – so went the scenario. That was the problem that drove the U.S. into Vietnam.

By 1970, three countries were totally demolished, and it was obvious that Vietnam would be lucky if it survived. As for the rot spreading anywhere else, that was impossible, since every country in the region had been inoculated from any virus by the imposition of murderous and brutal military dictatorships. The first was in Indonesia in 1965 when they wiped out the Parti Komunis Indonesia (PKI), the country's only mass popular organisation, and killed half a million to a million people, eliciting enormous euphoria in the West. By 1972, the Philippines, under the Marcos dicta-

...was over, Vietnam had lost and the United States had won. McNamara doesn't understand that. He's a very narrow technocrat, like an engineering student who is given a problem and understands that problem but not something one millimetre to the left or right of it.

McNamara also doesn't understand the decisions that he himself was involved in. He was involved in two major decisions in Vietnam; all the rest were tactical applications of these two decisions. The first major decision was in 1961, when John Kennedy became President and McNamara was appointed Secretary of Defence. They had a problem on their hands. Eisenhower had instituted a kind of Latin American-style terror state in South Vietnam. It was very brutal, and

had killed probably around 60,000 to 70,000 people by then, but it was eliciting resistance that it was not able to control. Kennedy decided to step action up and the U.S. attacked South Vietnam. In 1961 McNamara ordered the U.S. Air Force directly into operation to bomb South Vietnamese villages, the use of napalm was authorised, crop-destruction (to wipe out support systems for the guerillas) began,

and American troops were involved in combat operations. When another country does all that, we call it an invasion.

The invasion of South Vietnam, then, was the first major decision in which McNamara was involved. He does not mention it in the book, and he is probably unaware of it, because in the United States it was assumed at the time – not any longer, thankfully – that if the U.S. wanted to attack another country, that's fine. Nobody complained about it, and McNamara probably never even noticed it.

The second decision is, in a way, even more interesting. It was in January 1965, when the escalated war had, once again, failed and the South Vietnamese regime was once again unable to control the resistance. The U.S. greatly intensified the bombing of South Vietnam. In January 1965, McNamara authorised the use of jet bombers for the first time. Shortly after

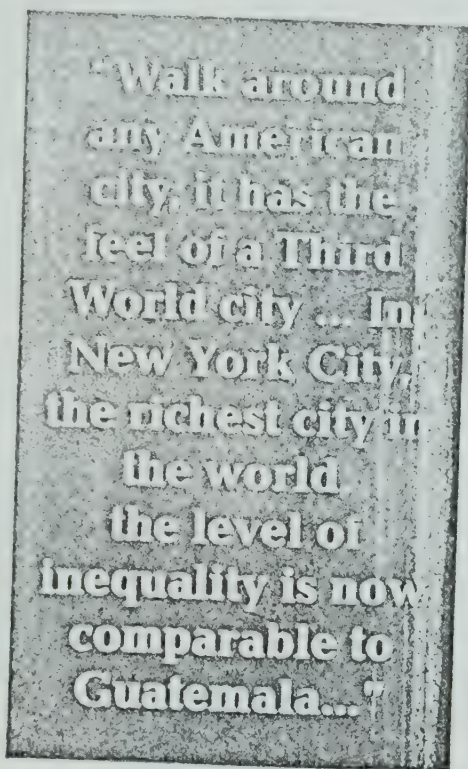
...a...  
...was sent to South Vietnam, and...  
...the next couple of years they ram-  
...through the country, hundreds...  
...of troops devastating...  
...South Vietnam, the main victim of the...  
...McNamara does not recognise...  
...that decision either, a failure that is...  
...particularly remarkable.

A final comment. McNamara mentions Indonesia, and he doesn't tell the truth. We know from internal records that, after the 1965 massacre, McNamara boasted to President Johnson and to Congress that he and the Pentagon had played a much bigger role in this success than they were acknowledging publicly, a role that involved training Indonesian military officers and military aid that laid the basis for this very gratifying mass slaughter. Although he doesn't mention that boast in the book, he does mention the take-over. He says that, in 1965, Indonesia was taken over by the "independent-minded nationalists of Suharto" and that that was good for our Southeast Asian posture. The context is his discussion of how he cannot understand why the North Vietnamese were so stubborn and unwilling to negotiate. He was making them a very magnanimous offer, offering them the opportunity to lay down their arms and put themselves at the mercy of the Saigon Government and the United States. Here he refers to Indonesia, where the "independent-minded nationalist Suharto" took over and he doesn't understand why the Vietnamese Communists aren't willing to do the same thing. Now I do not know how to comment on this – what kind of lunacy and insanity can this possibly be?

► One consequence of the new policies of globalisation and liberalisation has been an enormous cultural onslaught by the U.S. and advanced capitalism on the people of less-developed countries. Can you comment on the legitimacy of holding up end-of-the-century dominant U.S. culture as a paradigm for people, especially the youth, in less developed countries?

The U.S. is, to an unusual extent, a business-run society, much more than any other society in the world. It is also a very free society – it is a mixed story and there are a lot of very good things about it – but it is business-run and always has been. Business has a goal, that of manufacturing artificial wants and controlling opinions. It is based on deceit.

The marketing industry in the United States amounts to about one-seventh of gross domestic product, that is, about a trillion dollars a year go into efforts to create and stimulate wants





and to shape and modify beliefs and turn people into particular kinds of objects, isolated atoms of consumption and obedient tools of production. The public relations industry, which is perfectly openly committed to thought control, spends billions of dollars a year. The first academic study of this industry in the U.S. appeared just about a year ago. I thought I knew a lot about this subject, but I was shocked to see the scale of the corporate offensive and the self-consciousness of it, especially after 1945. The study covers the post-Second World War period, from about 1945 to about 1970, a period when business was really worried. There were social-democratic currents: the New Deal was very popular, and the business-run society was, for the first time, under attack. A tremendous corporate propaganda offensive was launched, one that involved advertising, the media, the entertainment industry, the take-over of sports leagues and churches, and the subversion of the universities.

There were a couple of messages that they kept ramming into people's heads. The main one was "Unions are the Enemy of the Worker". Unions were depicted as corrupt organisations that were trying to crush the poor honest working man and to undermine the harmony of our American Way of Life. Did you ever see *On the Waterfront*?

► With Marlon Brando, oh yes.

The perfect example. Marlon Brando is the honest upstanding worker who is finally willing to stand up to the corrupt union bosses, and in the last scene throws the corrupt boss into the water (or something like that). That's the model: demonise the unions.

The other message involves focussing people's fear, hatred and anger on government.

Now business knows perfectly well that government is its servant, and it wants a powerful state. Nevertheless, it wants people's anger to be focussed on government because government has a dangerous property, which is that, in principle, people can influence it. If you ever developed the functioning elements of a democratic society — like the panchayat that we just visited — on a large scale, then, yes indeed, people could influence government. In fact, in the 1930s, there was enough popular mobilisation in the labour movement and elsewhere to influence the government.

Private power doesn't have that flaw. Corporations are pure totalitarian entities, completely unaccountable (except for whatever limited regulation there is) and completely tyrannical internally. If decision-making can be switched over to private power, the business-run society does not have to worry about public influences. The strategy is this: when people are upset about this or that social or political issue, make them hate the one potentially democratic institution in society and the one that might defend them, to some extent at least, against private power. Let them focus their energy and resentment on that institution and not see us.

The people are not supposed to see those who really wield the power. For the general public, there are no owners, managers, people giving orders, people making money, investors, or specula-

payments. Or take the example of foreign aid. People are in favour of raising taxes to give more foreign aid to the poor — that seems pretty surprising — but they also want foreign aid eliminated. And the reason is that "it doesn't make sense for us to give away these huge amounts of money to undeserving people abroad." People also vastly overestimate the scale of U.S. foreign aid.

Such responses are the result of massive confusion; people are so confused that they can't have a coherent response to anything. And, to get back to business-controlled American culture, the idea is to make the world like that.

► What do you think the issues in the current U.S. election will be — and what should they be?

The issues will be anything that doesn't matter. The reason is that elections in the U.S. concern real issues only when there is some sort of disagreement among the community of investors, and right now, by and large, they agree. They agree, for instance, on the imposition of programmes of structural adjustment, on increasing profits even more, on cutting back on the public sector and on harming the general population. When you have four straight years of double-digit profit growth, there is not much to disagree on.

For example, take the big issue in Washington, the budget. Both political parties take it as their top priority to balance the budget. The disagreements between them are whether you do it in seven years or seven years and a half. They may have an election on that, but that is not an issue, it is not even a footnote.

They will talk about "values". If you want to keep people's minds away from issues that matter, talk about something that has no meaning, like "family values", or who is more Christian than the other, or who honours the flag more.

What should the issues be? The population is angry and upset, and hates what is going on. If a popular social-democratic type of coalition appeared one that advocated government programmes that stimulated the growth of jobs, help for the poor and other things that sane human beings want, it would win overwhelmingly. But such a coalition cannot appear in the election because it does not represent the power centres in U.S. society.



tors; there is just the image of the American Way of Life where we all live in harmony: the honest worker, the hard-working executive toiling for the benefit of all, the loyal housewife washing the dishes, and the bad guys who come in and try to organise workers and disrupt the picture.

People are confused, very confused. Take, for example, the people's attitudes towards welfare. A very large proportion of the population thinks that the government has a responsibility to help the poor, but most people are opposed to welfare, that is, to the government helping the poor. This is because the picture of welfare that they have is one of giving away their hard-earned dollars to rich black women who drive Cadillacs and have a million children in order to be paid welfare



# 'It's like opening up India to global narco-traffickers'

## - Chomsky on media issues

A critic wrote of Noam Chomsky that in a better world, his tireless efforts to promote justice would long since have won him the Nobel Peace Prize, but the committee keeps giving it to people like Henry Kissinger." The foremost figure of 20th century linguistics, Noam Chomsky teaches at the Massachusetts Institute of Technology (MIT), Boston, where he became a full Professor at 32. Equally at ease with political science, contemporary international relations, and activism, he draws full houses across the world - at meetings often fixed years in advance. At least one American newspaper has called him "arguably the most important intellectual alive". Chomsky is certainly the most cited living author among intellectuals.

In India for just a week, he gave this interview, specifically on media issues, to P. Sainath in Bombay. Excerpts:

► *What does globalisation of the media mean, generally, and what would it mean for the press and other media here, especially with the "opening up" of the skies?*

For one thing, it means huge increases in advertising, especially of foreign commodities. Because their resources could overwhelm anything that India can have. It also means much narrower concentration of media sources... It will reflect the points of view of those who can amass the huge capital to run international media. Diversity and information will decline, media will get more and more advertiser-oriented.

► *Is globalisation an accurate word? Wouldn't "transnationalisation" be more accurate?*

I would call it the extension of transnational corporate tyranny. These are tyrannical, totalitarian institutions, mega-corporations. They are huge command economies, run from the top, relatively unaccountable, and interlinked in various ways. Their first interest is profit - but much broader than that, it's to construct an audience of a particular type. One that is addicted to a certain lifestyle with artificial wants. An audience atomised, separat-

ed from one another, fragmented enough so that they don't enter the political arena and disturb the powerful. It's completely natural.

► *Quite a few newspaper-owning corporate houses here believe they are entering a partnership, and that the Indian press is mature enough to hold its own (at present foreign ownership is not allowed in the press, but the situation could change).*

That's a joke. If a local food place joins up with MacDonald's, they may be very mature. But MacDonald's has the resources to overwhelm them and has an interest in incorporating them within its system. That's more profitable and again helps create the kind of market that they need.

It's like opening up India to international narco-traffickers, claiming that people here are mature enough to resist. Well, sure they can resist. But when they start going after school-children with free drugs, and the children get addicted, it doesn't matter how mature you are. TV and advertising are simply cultivated addictions, designed to control people in a particular way. In fact, in some ways more insidious. Narco-traffickers have to sell their stuff and addict you to it. Whereas this creates a particular kind of person.

► *So the media's primary function is to sell?*

Their primary function is selling audiences to advertisers. They don't make money from their subscriptions. CBS news doesn't make money when you turn on your television. They make money when an advertiser pays them. Now advertisers pay for certain things. They're not going to pay for a discussion that encourages people to participate democratically and undermine corporate power.

► *To sell lifestyles, or values, or free market principles...*

That's fraud. They believe in free market principles for others, not for themselves. The major corporations in every society, in fact all the advanced sectors of business, rely very heavily on state subsidy and state intervention. They want to tell you to join the free

market. They're not going to do it.

► *How did you react to the liberalisation debate here being conducted as if it were something new?*

I was struck by this when reading the press here, the idea that somehow there's something new about neo-liberalism. There's nothing new about neo-liberalism. India has been subjected to neo-liberalism for three hundred years - which is why it's India and not England or the United States. Which is why you broke away from Britain.

That the U.S. is not a fully market society (is known)... but social security and similar interventions are the fringe of the system of state subsidy of private power. Discussing the U.S. as a market society without mentioning the Pentagon, is like talking about the USSR and not mentioning the Politburo. The Pentagon is the massive core of the welfare state for the rich. It pours public funds under the guise of security into advanced industry in every large sector of the economy.

► *How do the forms of media and thought control in the U.S. differ from, say, those of a totalitarian state?*

A totalitarian state has a ministry of truth. They present quite publicly what the truth is. You have to adhere to that truth. If you don't, there are various penalties. Here, there's no ministry of truth. There's just a common consensus among extremely narrow sectors of power as to the way the world should be perceived and as to what kind of people there should be.

► *Is there any real spectrum of opinion in the U.S. media?*

On Saddam Hussein, there was no spectrum. When he offered to withdraw from Kuwait, there was a media consensus that you don't say it. So that was suppressed. But there's a spectrum... Take the major issue in American politics today - balancing the budget. The media tell you Americans have voted for it. The Republicans want it done in seven years and the Democrats in seven and a half. That's your spectrum. The American people are against it by large majorities. But their opinion is not part



of the spectrum.

Besides, the Pentagon budget is going up. The public opposes that by six to one, but that doesn't matter. There's the information system and the business community it represents. That makes up the spectrum. Within it there are certain differences.

► *Some people are optimistic about the Internet throwing up certain possibilities... more democratic, less control. What do you believe will happen?*

The state of the Internet right now is rather like the state of the electronic media back in the 1920s. In most countries, radio or a large part of it was handed over to the public interest. So you get the BBC or Canadian Broadcasting and that's as democratic as the society is. There was a struggle about that in the USA. Church groups, unions and others wanted a similar system. But they were overwhelmed by private power. And radio was mostly handed over to huge corporations.

Later, with television, there was no struggle at all. They just handed it over to private power. Now, you've got the Internet. Like all the rest of modern technology, it's funded by the public. It comes out of the Pentagon and the National Science Foundation and so on. Just like computers and the rest of electronics. The public pays the cost, then you hand it over to private power.

Even with print, there was a large, independent press in both England the USA earlier this century. In England, it was on the scale of the commercial press. They were gradually overwhelmed by corporate power. So with the Internet, we have to wait and watch. Will corporate power be able to do what it wants? They'd like to turn it into a home shopping service and a way of addicting even more people, even more totally. Well, a lot of the public has different ideas. A struggle will take place and you can't predict the outcome.

► *What about content? Like everywhere else, there's been a shift here in coverage patterns: entertainment, titillation, selective scandal busting. Where does that leave journalism of the sort that used to record contemporary reality or people's lives?*

But with the U.S. media, in England and Europe, it's quite clear. News content is declining and narrowing and getting homogenised. So the European press now seems increasingly a pale copy of *The New York Times* and *The Washington Post*. It's just like with TV news stations. There's much less funding going into reporting altogether. It



gets marginalised.

Now if you're the owner of Westinghouse, a mega-corporation, and a huge advertiser, that's what you want.

► *Why do the educated classes line up quickest behind media constructed reality? Say, in the liberalisation debate in India.*

That's very common. It's natural.

► *Are you saying that the schools and colleges are part of this training?*

Oh, surely, George Orwell pointed this out 50 years ago in *Animal Farm* which is, of course, a satire on the Soviet Union. There was a preface to it which was not published, incidentally. It was on literary censorship in England in which he said 'Look, I'm satirising the Soviet Union, but look at England...'

And he talked about how unwanted

ideas can be silenced without the need for an official ban. And he described the measures. He said one reason is that the press is owned by wealthy men who have every interest in having certain ideas expressed and not others. Another is the process of socialisation that takes place through the educational system and particularly the elite educational system... In which you just internalise certain values. Where, as he put it, you learn there are certain things that just won't do.

► *So you can have a total disconnect between what millions of people are thinking and this discourse?*

Yes, In a business-run society, if you're spending a couple of billion dollars on public relations, you want to know how to package things so as to overcome public opposition. Public attitudes are usually quite divorced from the spectrum of educated opinion, often wildly at variance.

Incidentally, over 80 per cent of the American public think there's no functioning democracy, that government works for a few special interests. That's one reason people don't bother voting.

► *Where does all this leave journalists in the mainstream who do not share the values of corporatised media? Are we wasting our time?*

No. Not at all. Take the USA. I'm very critical about the media but they're better than they were 30 years ago. Basically, the activism of the 1960s led to considerable ferment, out of which came major changes in American culture... There are always popular constituencies which relate to individual journalists and they're mutually supportive. They get information from them, give them information.

► *So it's worth staging a kind of guerilla action within such media systems?*

It's always worth pushing any totalitarian system to its limits.

#### VIETNAM AND WATERGATE

► *There is this romanticised idea of the American media having brought the war in Vietnam to an end, exposed Watergate. How*



## COVER STORY

T.K. RAJAGOPALAN  
New Delhi

THE striking feature of the times is not the flourishing of democracy and the markets but the attack on the rights of the people and democracy, argued Professor Noam Chomsky, the great linguistic scientist and critic of U.S. policy, at the Delhi School of Economics, flagging off his recent 10-day visit to India. The presentation in depth of the Chomskyan analysis of a range of major issues of our time to a variety of audiences in several centres across the country was a significant intellectual and political event. The last time he visited India was in 1972.

Everywhere Prof. Chomsky spoke, eager audiences listened, hung on every word. The pindrop silence encountered at Delhi University and the Jawaharlal Nehru University reflected the quality of the response. The organisers of the India visit, the Delhi School of Economics' Centre for Development Economics, did not anticipate such a following. At JNU, the organisers themselves were left standing outside just to hear his voice from the loudspeakers. The steps leading to the dais were full, the stage itself was crammed and there was no sound save Prof. Chomsky's. Such was the audience involvement that the venue of every meeting in Delhi was packed to capacity half an hour before the lecture was due to begin. Not much latitude was given to photographers and presspersons, who seemed surprised at the big turnout.

★ ★ ★

Describing the current period in the United States as one of mass depoliticisation, the collapse of civil society and narrowly-constrained doctrinal institutions reflecting institutional structures in very obvious ways, Prof. Chomsky said public opinion has become idiosyncratic, often confused and irrational.

In his opinion, it is only the business world which has a high level of class consciousness, and sees itself as fighting a bitter class war. "They have long understood that the public mind is the only serious danger confronting private corporations," he said. In the global sense, Prof. Chomsky pointed out, a conscious social policy was being imposed on the Third World, not in accordance with any laws of nature or market wisdom but using the institutional possibilities that already exist.

Speaking on "Vicissitudes of Democracy" and "World Orders: Old and New", Chomsky minced no words

Kennedy, Johnson and Nixon, had enlisted not a few petty crooks, but the national political police, the FBI, to attack and undermine legal, legitimate dissent...

The COINTELPRO scandal, as it was known, got zero importance. This, despite direct FBI involvement in the political assassination of two black leaders. Not only didn't it get the same importance, it apparently never existed, the way it was treated.

► It was — totally blacked out?

Well, there might have been a few lines here and there. But it was of no interest and that demonstrates something very simple. The people in the media had no concern for democracy or freedom or anything else. What they're concerned with is protecting power from people. When Fred Hampton, a black organiser, was murdered by the FBI and the Chicago police — that was okay, it wasn't an issue.

But Thomas Watson, the head of IBM... you can't call him bad names (as Nixon did on the tapes: PS). Do that and democracy collapses. When the media present Watergate as an instance of their adversarial, courageous character, you can hardly even laugh. Furthermore, they can't understand that once you tell them, because they're so indoctrinated.

### WEST BENGAL

► You spent a day in the Bengal countryside. What did you think of the village and panchayat set-up you saw in West Bengal?

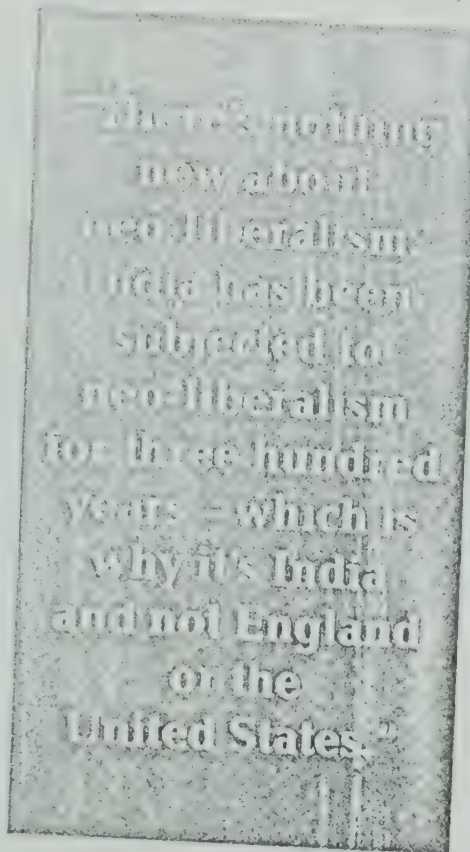
Very interesting. I've seen plenty of rural development programmes and this was quite striking, I thought. There was a lot of engagement and it's pretty obvious that the villagers have things under control. They seemed to answer the questions you asked them very easily and well.

► You think it's quite a democratic set-up at the village level?

As far as I can tell. I mean it certainly looked like very active participation with a lot of people knowing what's going on and eager to talk about it.

► Well, that's not how the media here cover it.

No? That's their problem. But I can only tell you what I saw. ■



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...Anthony Lewis, of *The*  
...New York Times who  
...as kind of off-the-  
...pectrum. By 1969, he  
...decided that although  
...the war had been  
...begun with the noblest  
...of intentions, it was  
...now costing the USA  
...too much. So now he  
...wondered if we  
...shouldn't get out of it.  
► So it's a myth?

A total myth. In fact, if you're interested, I've got hundreds of pages of documentation running through the media coverage. Case after case after case right through the war. In the early 1970s, for example, when the media were supposed to have been adversarial, the U.S. began the bombing of Cambodia. It was the worst bombing of civilians in history. Hundreds of thousands were killed. Probably a million, and a half refugees fled up to Pnom Penh. We know nothing about it. Because Sidney Schanberg and others who are called the consciences of the press were sitting in Pnom Penh — and refused to walk across the street to interview a refugee. Those would have been the wrong stories.

► And Watergate?

Watergate was a tea party. In fact, Watergate was almost a controlled experiment. The Nixon administration collected a bunch of petty crooks who entered the Democratic Party headquarters for no known purpose and stole a couple of files, okay. Right at the same time, there were other things. There was an enemies list. Privately, Nixon called some people bad names. Me, for example. I was on the enemies list. Nothing ever happened to anybody on the enemies list. That's Watergate.

The same time that Watergate was exposed, it came out that in the courts, in classified documents, under the Freedom of Information Act, four administrations, Eisenhower,



# Of democracy and world order

## Chomsky minces no words

in describing democracy as "one of the many terms to have been so abused in recent years as to be virtually useless". Referring to West European countries in general and the U.S. in particular, he noted that the vast majority of the American population disagreed with standard elite perceptions. However, "the concerns and attitudes of the general population have never been articulated in the political arena." The divorce has been significant: now it is almost dramatic.

He characterised the current mood as distinctly anti-politics, one of bewilderment. Business propaganda had contributed to this since the 1920s. "By the 1950s, people were watching business-sponsored films which portrayed the American Way of Life, the unions as the enemy and indoctrinated citizens with the capitalist story of success." Chomsky added that the "bewilderment" among the common American was in fact "a tribute to the intensive propaganda to try to erase from people's minds an understanding of the most elementary reality that politics may be bad but it is the shadow cast by business over society which makes it so. You are not supposed to see the shadow."

Playing on this confusion among people was the corporate world which spent around a trillion dollars annually on marketing ideas. One instance of posing national priorities was the current debate on a balanced budget in Washington. "Only 5 per cent think a balanced budget is a priority and they count in the political system. The majority wants stimulative action in the form of more jobs, higher social spending."

Chomsky went on to point out that there

was even "willingness to accept higher taxes by the American population if they were used for social spending". One worrying trend, however, was the growth of religious fanaticism in the U.S., more so in the absence of a Left coalition. "This is quite extraordinary in the U.S. Perhaps it is the most fundamentalist country in the world, more than Iran I would presume." This observation invited suppressed laughter from the audience, which largely appeared overwhelmingly to be critical of the mantle of "world policeman" the U.S. has come to assume in recent times.

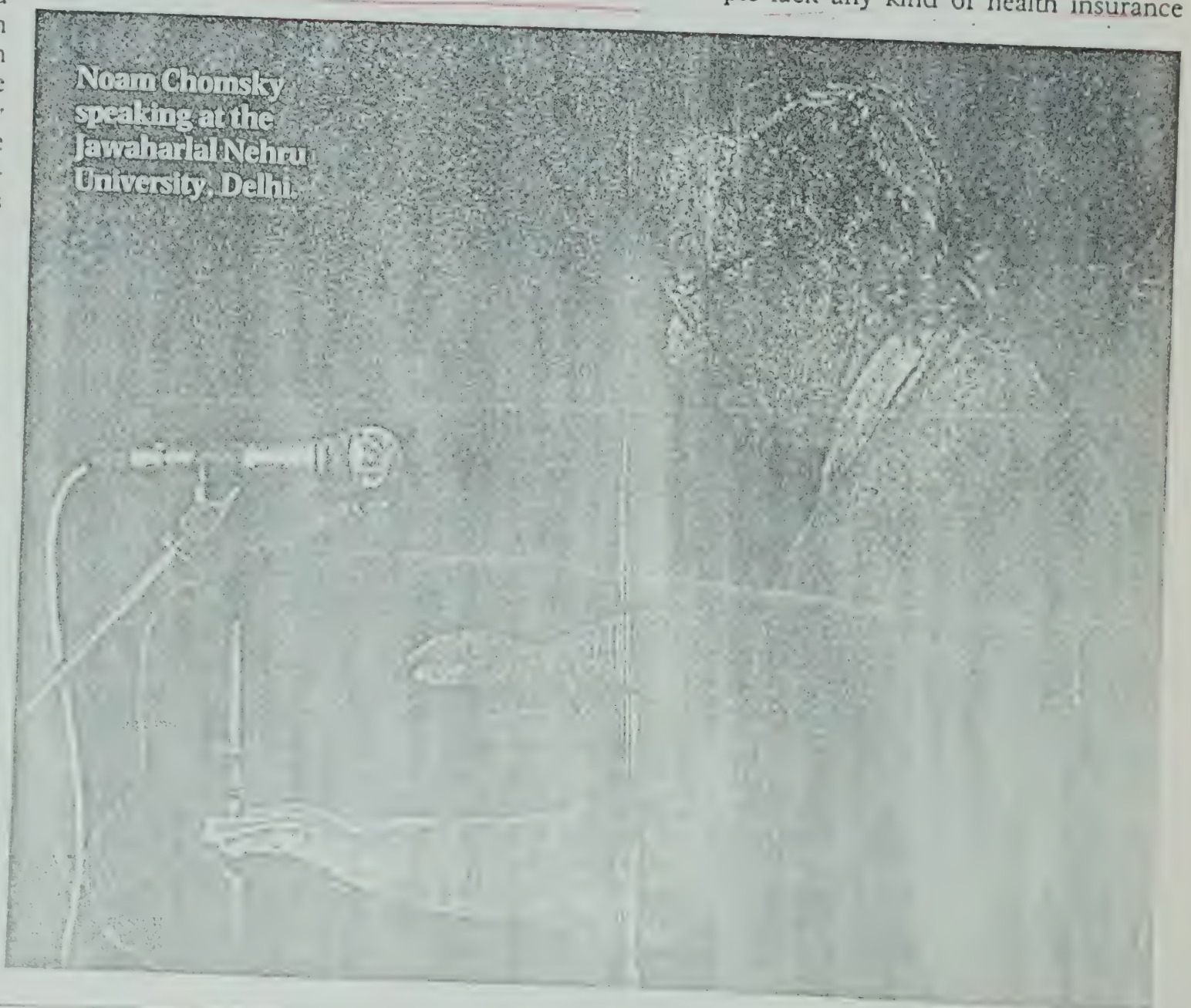
Whenever people have articulated their interest, it has been seen as a "crisis of democracy". In the 1970s, Prof. Chomsky pointed out, a commission was set up to study the "crisis". For those who were naive, it was democracy, but for the intelligent minority, it was a crisis. As a result, the commission recommended de-politicisation.

Even as he was critical of governments, socialist as well as capitalist, Prof. Chomsky sounded a cautious note on the propaganda by industry on the evils of government. "At least policies can be influenced by general public opinion but that is not true of private tyrannies. They cannot be influenced even in principle."

It was interesting that this propaganda system had had an admirer in Hitler himself. In *Mein Kampf*, Hitler noted with bitterness that Germany was not able to match the Anglo-American propaganda systems. That an inextricable link existed between industry, media and government policy was the central point of the Chomskyan analysis of "Vicissitudes of Democracy."

Turning his attention to deregulation in the U.S., Prof. Chomsky observed that the country was one of a kind which did not have a national health care system. "Forty million people lack any kind of health insurance

Noam Chomsky  
speaking at the  
Jawaharlal Nehru  
University, Delhi.





not want to though "the is awash with capital", as there tier ways of making money, so on.

of capitalism has disappeared industry altogether. "It is r technique for private enter- and entrepreneur- values to pick properly which part of public funding they are doing to rob," he remarked. Responding to a question about protest movements, Chomsky sounded optimistic about the recent strikes in France. In particular, he mentioned Haiti, which while being the "poorest country in the western hemisphere" had succeeded in developing a vibrant civil society. It was also one of the few countries that resisted structural adjustment, and as a consequence the World Bank cut aid to it.

There are signs of resistance everywhere, pointed out Chomsky. The popular opposition to the North American Free Trade Agreement (NAFTA) was a case in point. As for the U.S., he noted that labour unions had created a national scandal about the Central American operations of a major clothing store. This kind of cross-country solidarity could compete with TNC (transnational corporation) capital but it had to go much further, he said.

There was not one question that Chomsky dismissed in a single line though he appeared reluctant to suggest prescriptions for the Indian sub-continent. Almost all the questions had to do with post-Berlin Wall events, the implications for the country and the role of the state. Of particular concern to academic-activists in the audience was the state of protest movements in the U.S. and elsewhere.

To a question whether governments could be made more responsible, Chomsky responded that states were exactly the way Adam Smith had described them: "Combinations of the

been a lot of organisation and politicisation among the dissenting sectors. "What the elites call the crisis of democracy is very real," he said. "Though there was much more activism today than in the 1960s, 'people do not talk about them because you are not supposed to let it be known that there is resistance'".

Calling the U.S. the "bastion of modern protectionism", he said the ideological attack by the country had become stronger following the removal of the Soviet threat. While the Reagan years were characterised by debt increases and protectionism from Japanese competition, liberal internationalism was indulged in in a very selective manner. U.S. planners have always been clear about one thing: 'What we have, we keep and what we do not have, we take'. As for the economic 'miracles' in Latin

America, Chomsky said the only miracles had been for the U.S. investors and the local elite. For the majority they were objects of despair.

At least half a million extra deaths had occurred in Russia in the post-Cold War phase following capitalist reforms, Chomsky said. He pointed out that a Third World was emerging within the economies of the First World as a consequence of the corporate mercantalist capitalism in the West. There was a general hospital in Boston which received children with Third World levels of malnutrition.

In the name of open economy, what was practised was a mixture of liberalisation and protectionism - consistent with a decline in the social and economic health of the majority. What Adam Smith said 200 years ago about policy being made by merchants and manufacturers still held good, said Chomsky.

He was equally scathing on the "peace processes" initiated by the U.S. "For 25 years, the U.S. has been standing in the way of a peace process in West Asia," he said.

Issue. Europe. federalism on the one hand and regionalism on the other. On ethnic conflicts in the U.S., Chomsky clarified that what was shown as race conflict was, in effect, class conflict. "The commitment to the denial of class struggle in the U.S. is so extreme that the Census Bureau does not provide statistics relating to class."

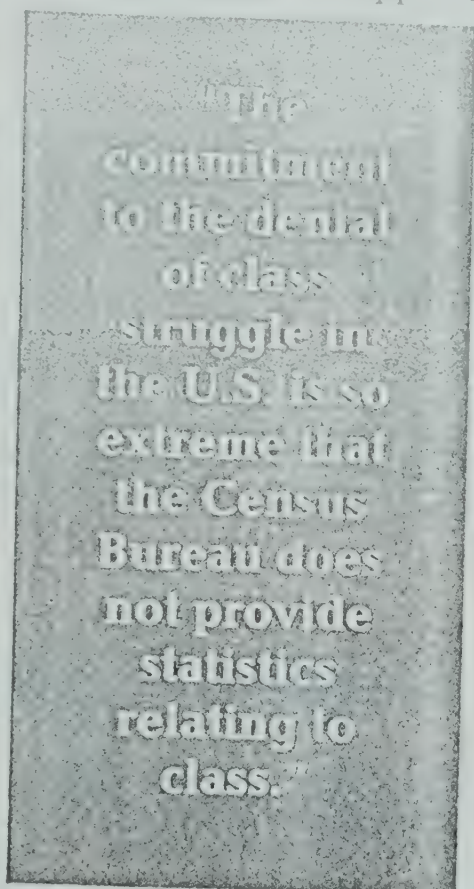
Whether nationalist struggles be a new form of oppression and were reduced to revolutionary rhetoric would have to be addressed in the ethnic question in the contemporary world. Though the meeting on nationality struggles was organised by a group with Marxist-Leninist leanings, Chomsky was critical of the role of Bolsheviks in suppressing popular movements.

When asked for solutions, he doubted whether there was awareness of the problems in the first place. An understanding of what was going on would come about not in seminar rooms and lecture theatres but only through participation in people's movements. Criticising "arm-chair intellectuals", he said he knew taxi-drivers who were more intellectual than some professors. "I do not even know what the word means," he remarked to a nearly uproarious crowd.

Current trends among the U.S. population reflected a growing disenchantment with both Republicans and Democrats. Nearly 80 per cent of the population believed that the government worked for the few with special interests, that the economic system was unfair. Further, there was "increasing cynicism about people's participation in any kind of social activity and in secondary institutions".

Answering questions ranging from definitions of nationalism to strategies of imperialism, Chomsky managed to present a world-view which was to some, quite clear, and to others, a revelation of sorts. Without being cynical, he drove home the point that struggles were taking place and people were resisting even as industry and the media owned by it projected it otherwise.

At one point, when he saw a television crew struggling to squeeze through to cover his lecture, he quipped: "The real rulers of the world today are television cameras, as you can see." ■





# Panel probing Rajan Pillai's death to ask for extension

NEW DELHI, Jan. 5: The Leila Seth commission of inquiry, probing circumstances leading to the death of business tycoon Rajan Pillai, will soon ask for a second extension of its term which comes to an end on January 25.

Commission secretary K.C. Lohia told uni today that the one-judge panel, comprising of retired Himachal Pradesh high court Chief Justice Leila Seth, was unlikely to finish its work in the remaining twenty days.

Mr Lohia said Rajan Pillai's widow, Nina —a vital witness— had also requested for further extension of the commission as she needed time to file her counter-affidavit. He added that Ms Nina Pillai is scheduled to file her counter-affidavit on January 8.

The commission, which was constituted by Delhi Lt Governor on July last year, has sent notices to about 250 people so far. The

notices include Rajan Pillai's relatives and family members, central Tihar Jail officials, doctors, inmates, doctors of Deen Dayal Upadhaya Hospital (the government hospital where the ailing Rajan Pillai was taken to) and others. About seventy of the notices have already filed their affidavits so far and Mr Lohia said more affidavits were pouring in virtually every day.

Mr Lohia said the commission had recorded the statements of ten inmates of Tihar Jail after they expressed their desire to appear before the commission in person.

The commission will next week examine the ambulance of Tihar jail in which Rajan Pillai was shifted from jail to the DDU hospital, Mr Lohia said.

Though the notification announcing the setting up of the commission was issued on July 27 last, it took nearly one and a half months for the commission

to set up its office. The commission could hold its first sitting only in the first week of September.

The commission's probe covers the following areas:

- ♦ To ascertain the circumstances and sequence of events, including deterioration

- ♦ To find out the adequacy of the treatment given to Rajan Pillai by jail medical officer and doctors in the DDU hospital in the context of the history of his past illness.

- ♦ To determine the adequacy and promptness of response of the doctor and other authorities both of the jail and the DDU hospital when Pillai's health deteriorated.

- ♦ To establish negligence, if any, on the part of any authority and to fix responsibility for it.

- ♦ To suggest remedial measures in connection with medical care for prisoners in jail. —UNI

## Indian doctors blamed for Pillai's custodial death

NEW DELHI, Jan 14 (PTI)

A Singapore doctor, deposing before the Leila Seth Commission inquiring into the custodial death of business tycoon J M Rajan Pillai today, blamed Indian doctors for his death.

Dr Peter Goh, who had treated Pillai for over two years for liver cirrhosis in Singapore before he fled to India in February 1995, insisted: "Most of the medicines given to Mr Pillai in Indian jail (Tihar) were either harmful or useless." Dr Goh examined each and every drug given to Pillai, observing that some injections given should not have been administered at all, given the condition of the

patient. Dr Goh, examining the raw footage of a videomagazine's cassette recording when Pillai lay dead at Deen Dayal Upadhya Hospital, said the death was due to excessive bleeding from the mouth and nose, a common symptom when a cirrhotic patient was not given proper treatment.

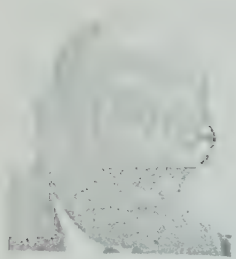
After seeing the capital's hospital records, Dr Goh went on, "I am of the opinion that Pillai had a chance to be revived". Pillai died due to liver cirrhosis while in judicial custody. Criticising the treatment given to Pillai at Tihar jail as well as at Deen Dayal Upadhya Hospital, Dr Goh noted: "The doctors at the hospital seem to be unaware of the fact that the

patient was cirrhotic ... Had the hospital authorities were briefed that Pillai was a cirrhotic patient, then the treatment would have been entirely different."

Dr Goh, an associate professor at the Singapore National University Hospital, also explained that in a cirrhotic body smaller veins in a patient's liver would get narrower, leading to congestion in the traffic system of blood stream. The body conditions in an advanced stage would become such that blood flow into the food pipe, resulting in a severe loss of vital fluid. The doctors at the hospital "seem to be at complete loss as to what the real problem of the patient (Pillai) was".



# The Myth of Poverty Reduction



OFFICIAL claims that poverty is declining continuously—including the latest results released by the Planning Commission for

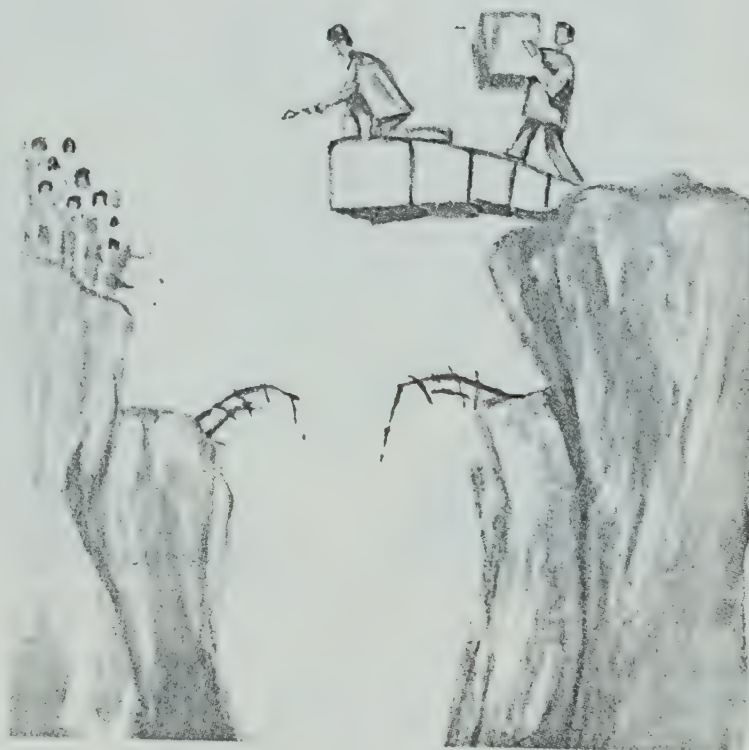
1993-94—are not borne out by facts, especially for the post-reforms period. While a fairly sharp reduction in poverty levels took place between 1987-88 and 1990-91—this fell from 29.9 per cent to 18.3 per cent across the country—there has been an increase after this period. Since most of the conclusions about poverty reduction are based on comparisons with 1987-88, instead of 1990-91, which is when the current reforms began, they tend to overstate the decline.

In fact, if 1990-91 is used as the base year for comparison, even official estimates show that the income situation, especially in rural areas, has worsened. For 1990-91, the National Sample Survey estimated that 20.6 per cent of the country's rural population fell below the poverty line while around 11.5 per cent of the urban populace fell in this category—for the country as a whole, the incidence of poverty was around 18.3 per cent. This figure increased sharply to just under 20 per cent in 1992, and both rural and urban poverty levels increased. While the overall poverty level came down in 1993-94 to 19 per cent, it is still higher than it was in 1990-91. This trend in poverty remains the same even if it is estimated by different methods.

While the Government is yet to release the data on the distribution of consumption across households in rural and urban India for 1993-94, this is unlikely to have changed significantly. What this means is that the inequality of consumption (measured, in economic jargon, by indices such as the Lorenz ratio) which had been declining steadily since 1977-78 has started rising again since 1990-91. In other words, one can infer that further reductions in poverty can take place only if there is a sharp increase in the growth in household consumption.

In fact, till now, we have not seen any positive sign of a breakthrough in the poverty-growth rate from the past trend. Which means that unless there is a sharp increase in the country's economic growth, it is extremely unlikely that we will see further reduction in poverty levels—in other words, unlike in the past, the percolation theory of economic growth will now operate very slowly. The economic growth that will be required will not be of the 5 per cent to 6 per cent kind that we are talking of currently, but much higher, say 8 per cent to 9 per cent or more. This is the kind of growth that East Asian tigers like China are experiencing now. In fact, in these countries also, with the percolation effects of growth beginning to

Illustration by NILANJAN DAS



**Unless there is a sharp increase in economic growth, further reduction in poverty is extremely unlikely.**

slow down and consumption patterns not changing dramatically, the poverty reduction we are seeing has only been made possible by the extremely high growth in their economies.

So while the estimates for GDP growth have gone up from 3.9 per cent for 1993-94 to 6.3 per cent in 1994-95, when data on poverty levels for 1994-95 comes out, it is extremely un-

likely that it will show any significant decline—after all, per capita consumption growth has not increased during this period. Since an important prong of the economic reforms has been to increase the price paid to farmers for their produce, which has resulted in a fairly sharp hike in both the market and the prices of food, the poor have been the worst hit. This is also corroborated by the decline in the real wages of unskilled agricultural labour during this period—estimates by some experts put the decline at 2.5 per cent. Not surprising given the fact that rural inflation in 1994-95 was close to 12 per cent as compared to 6.8 per cent in 1993-94.

The economy, therefore, has a large task ahead of it, and will have to con-

centrate on achieving a very fast growth tempo as quickly as possible. Current economic debates, however, all question the feasibility of such a high growth in the medium term, especially in view of the growing infrastructure and other problems faced by the country. In fact, growth for the current year is estimated to be even lower than last year, around 1 per cent less. In which case, the poverty situation in the country is likely to deteriorate further and will result in increased problems in the social and political arena. As a transition measure, therefore, well-targeted poverty-alleviation programmes will be needed to provide temporary relief—what is usually called the 'safety net'. This, however, raises a different set of questions, on whether the

Government can afford to add to its expenditure, especially at a time when its budget is already out of control. Uncontrolled government expenditure is also likely to raise inflation levels further and may even curtail

growth—the current liquidity crunch and the consequent impact this has had on growth is a direct fallout of unbridled government expenditure. In which case, the fight to eradicate poverty promises to be a long-drawn one.

*The author is the director and chief executive of the Indian Council for Research on International Economic Relations.*



# Pranab discusses economic ties with Thailand

SINGAPORE, Jan 16 (PTI)

India and Thailand today discussed possibilities of cooperation in the railway sector especially with Bangkok planning to upgrade and expand its railway network.

Thai Transport and Communications Minister Wan Muhamad Nor Matha told visiting External Affairs Minister Pranab Mukherjee that detailed technical discussions could take place between the railway authorities of the two countries.

Expressing interest in collaboration and cooperation with India in the railway sector, the Thai minister told Mr Mukherjee that a working group could be set up for this purpose.

Mr Mukherjee arrived in Bangkok and the first leg of his three-nation tour which will also take him to Cambodia and Laos.

He outlined in detail the possibilities of cooperation between the two countries and referred to the supply of passenger coaches and freight wagons as well as track

upgradation and construction of new lines.

Thailand, which has witnessed a high growth rate of more than eight per cent in the past three years, is steadily forging ahead to join the ranks of the tiger economies of the region. Bangkok city is in the midst of large scale developments including the construction of railway lines, buildings and industries.

**SIGNIFICANT:** Thai investors and NRI businessmen view Mr Mukherjee's three-day visit as extremely significant. India's bilateral trade with Thailand reached a high point of \$ 1 billion in 1991 and after a dip it has since picked up and the turnover in 1994-95 is now over \$ 575 million.

Thailand has collaborations with India in areas like agriculture, aquaculture and marine products, hotels, tourism, consultancy etc. India has 21 joint venture companies in a wide range of areas like rayon, fibre, steel, paper, real estate and

pharmaceuticals.

The Thai transport minister said he looked forward to an early visit to India at the invitation of Mr Suresh Kalmadi.

Earlier, Mr Mukherjee visited the Grand Palace in Bangkok to pay respects to the mortal remains of the Thai King's mother who passed away in July 1995.

## No move to hike rail fares: Kalmadi

JALANDHAR, Jan 16 (PTI)

The minister of state for railways, Mr Suresh Kalmadi, today said there was no move to raise rail fares and freight charges.

The minister told reporters here that he did not see any immediate need to hike rail fares and freight charges.

On shifting of Ferozepur divisional headquarters to Jalandhar, Mr Kalmadi said a decision would be taken soon.



# A stroke of expediency

*Mr. Andrei Kozyrev's exit has closed the first chapter in Russia's quest for a new identity and a place in the world after the break-up of the Soviet Union.*

**T**HE retirement of Russia's Foreign Minister, Mr. Andrei Kozyrev, and his replacement by academician Yevgeny Primakov last week closed the first chapter in the country's quest for a new identity and a place in the world after the break-up of the Soviet Union four years ago.

It was not a glorious chapter, by any counts. Mr. Kozyrev presided over a dramatic decline in Russia's role and influence in international affairs and naturally enough became a convenient target for attacks both from the Opposition and Yeltsin loyalists.

It would be unfair, however, to blame Mr. Kozyrev for all diplomatic setbacks Moscow suffered in the five years he was Foreign Minister. Russia is no match to the erstwhile Soviet Union either in size or economic and military might. It has been further weakened by a painful and chaotic transition to a market economy and a disastrous war in Chechnya.

Moreover, Foreign Ministers do not make foreign policy: they execute it. Mr. Kozyrev's policy was 100-per cent the Russian President, Mr. Boris Yeltsin's policy, and when it failed the Foreign Minister became a whipping boy for the President.

After the disintegration of the Soviet Union, Moscow's foreign policy was based on the erroneous assumption that as soon as Russia had broken with the Soviet totalitarian past and embraced democratic ideals, the West would take it into its fold, giving it generous aid and a place in international markets.

"President Yeltsin wanted to be a partner of the West, but the West didn't take him in," said Mr. Sergei Markov, a political analyst with the Moscow Carnegie Centre.

Still, many believe that Moscow could have done better in the international arena than it actually did if its Foreign Minister had foresight and perception of the country's interests.

In fact, Mr. Kozyrev was an accidental choice for Foreign Minister. He was picked by Mr. Yeltsin in 1990, when Russia was still part of the Soviet Union and the post was largely ceremonial.

When Russia became independent Mr. Yeltsin kept his Foreign Minister chiefly because Mr. Kozyrev was good at explaining to the West that Mr. Yeltsin was a better friend than Mr. Mikhail Gorbachev had been.

Mr. Kozyrev earned the nickname of 'Mr. Yes' for the degree of his assent with Western policy, a play on the old tag for the hardline Soviet Foreign Minister Andrei Gromyko, 'Mr. Nyet.' He believed that democratic Russia had

few, if any, interests different from those of the Western democracies.

Instead of pursuing Russia's interests with Western partners, Mr. Kozyrev lobbied their interests in the Kremlin. It was Mr. Kozyrev who persuaded Mr. Yeltsin to yield to U.S.

victory of the ultra-nationalist Vladimir Zhirinovsky in the December 1993 parliamentary election, but he kept Mr. Kozyrev for another two years as a useful liberal front for his increasingly authoritarian regime. It was only after the sweeping Communist victory in last month's parliamentary vote that Mr. Yeltsin finally sacked him and replaced him with Mr. Yevgeny Primakov, a veteran Soviet-era politician.

The appointment of Mr. Primakov was welcomed both by Communists and nationalists. Yet, it was not so much a

concession to the opposition as an effort by Mr. Yeltsin to don a new image ahead of the presidential election in June.

"The change of Foreign Minister is not a reaction to the parliamentary elections, it is in anticipation of the presidential polls to come," said Dr. Alexander Kononov of the U.S. and Canada Institute. "The choice of Primakov is designed to strengthen Yeltsin's image as a defender of Russia."

Mr. Primakov has a very different vision of Russia's foreign policy priorities than Mr. Kozyrev had. As head of the Foreign Intelligence Service for the past four years, Mr. Primakov urged the Kremlin to strongly oppose NATO's eastward expansion and pay more attention to economic and political reintegration of the former Soviet republics.

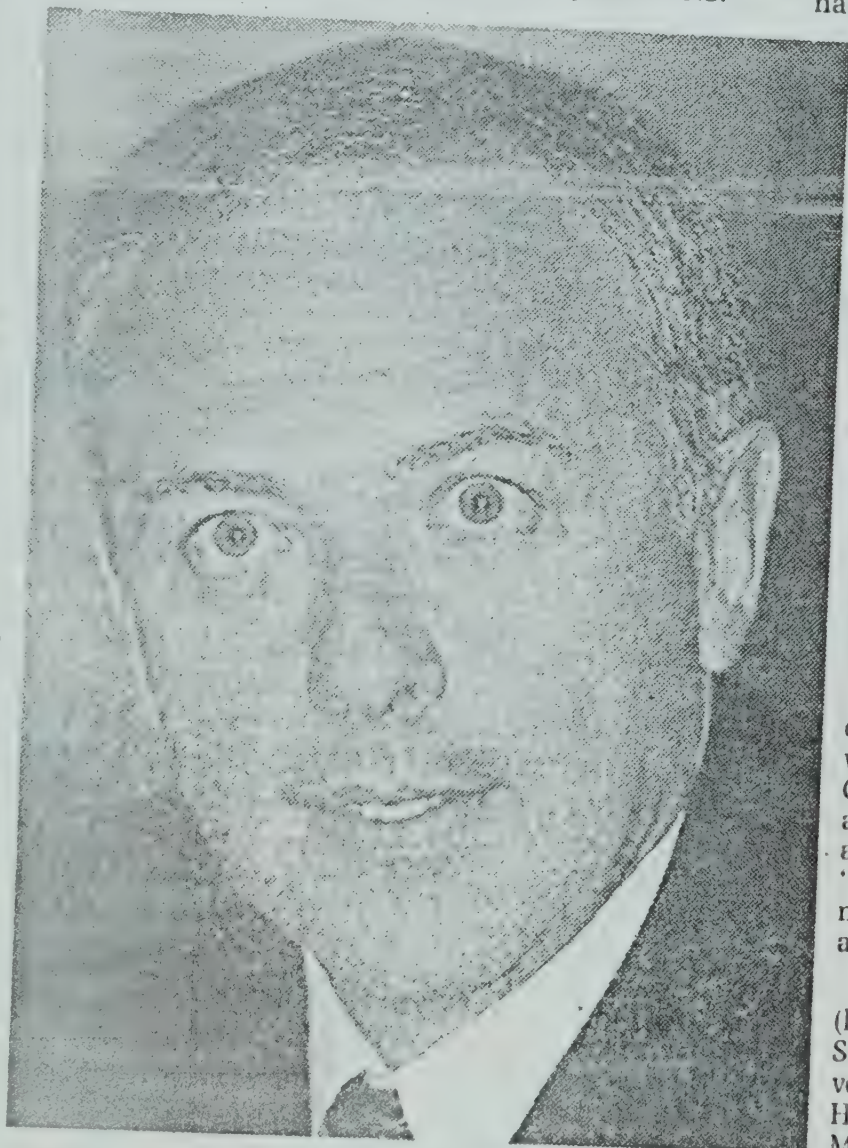
"Even if Primakov wished to make drastic changes in foreign strategy, he would not succeed," said Mr. Mikhail Gorbachev, who welcomed the appointment of his former foreign policy adviser as Russia's new Foreign Minister. "But he will change its style and lend it new accent. He will also help stabilise and clarify Moscow's policy."

Judging by his academic background (he was head of the Institute of Oriental Studies) and political experience (he has very good relations with Iraq's Saddam Hussein and other Arab leaders), Mr. Primakov is likely to revitalise Russia's policy in the East.

"If the Kremlin shifts its foreign policy emphasis to the East, Primakov will be the best choice to execute this policy," Mr. Gorbachev said. "In contrast to Kozyrev, Primakov has a vision of Russia's role in different regions of the world and he will quietly and cleverly pursue it."

Interestingly, Mr. Primakov's successor at the Foreign Intelligence Service, which has traditionally played an important role in shaping Russia's foreign policy, is also an expert on the Orient. General Vyacheslav Trubnikov made his career as a secret service officer in India, Bangladesh and Pakistan. He knows Hindi and earned his two Orders of the Red Banner, a top military award, for his work in India. The combination of a Foreign Minister and an intelligence chief with Eastern background may give a further momentum to Russia's policy in the East.

*Vladimir Radyuhin  
in Moscow*



Kozyrev... a scapegoat for Yeltsin's follies.

pressure and halt the transfer of cryogenic rocket technology to India. It was largely through his efforts that Russia fully backed the U.S. stand on Libya, Iraq and Bosnia and welcomed the NATO Partnership for Peace programme. As a result, Russia's opinion in the military and political settlement of the Balkan crisis is virtually ignored and NATO is planning expansion towards Russian borders.

Mr. Kozyrev is largely to blame for the recent slump in Indo-Russian relations. He dismissed the special relationship that had existed between India and the Soviet Union as an ideological byproduct of the cold war and advocated equidistance in Moscow's ties with India and Pakistan. He was the first Russian Foreign Minister who had not paid a single visit to India in five years, apart from accompanying Mr. Yeltsin on his state visit in January 1993.

Mr. Yeltsin began shifting emphasis in Russian foreign policy after the stunning



# Chill in ties gone for good: Chretien

From Our Special Correspondent

NEW DELHI, Jan. 13.

The visiting Canadian Prime Minister, Mr. Jean Chretien, rounded up his visit today with the comment that "the big chill in our relationship with India is over for good. Canada is here in India to stay." His comments came at a meeting of the Indo-Canada Joint Business Council (JBC) here at which 47 new business deals were signed by Indian and Canadian businessmen. With this, the total business deals signed during the visit of "Team Canada" went up to \$3.39 billions.

Making his special address at the JBC meeting, Mr. Chretien recounted the old friendship between India and Canada which he said "did not continue to develop and grow." The Prime Minister felt that "there were real reasons for that. But the price was a friendship on hold. And both countries paid that price."

Putting all that behind him, Mr. Chretien said his current visit with "Team Canada" would inject energy and dynamism in the bilateral relationship and even bilateral trade was poised for a quantum jump. Already, in the first eight months of 1995, there had been a 64 per cent increase in Canadian exports to India and a 25 per cent increase in Indian exports to that country.

The Prime Minister suggested that efforts should now be made to double the bilateral trade in two years' time and increase it four fold in the next four years. The two-way trade in

1994 stood at \$750 million only.

Mr. Chretien explained that for many years Canada had focused its attention on Europe and the United States. "We tended to look across the Atlantic rather than the Pacific. But Canadians have recognised that we are also a Pacific nation, and they are celebrating the opportunities this presents. During the last decade, the Asia-Pacific region has become Canada's largest source of immigration, and our second largest trading partner, after the United States," he said.

The Canadian Prime Minister also referred to the fact that "Canadians are excited by the bold liberalisation policies they see taking place in India. We congratulate your Government for its vision in pursuing these reforms. To a large degree, it is these reforms that have served as the catalyst for the increased economic and commercial cooperation between our two countries," Mr. Chretien added.

## Child labour issue raised

The Prime Minister also took the opportunity of the meeting to put across Canada's deep concern at the existence of child labour in India and said that in his discussions with Indian leaders the matter was raised. "They have told me of their efforts to end the tragedy of child labour and the economic exploitation of children... We in the Government of Canada are open to looking at new ways to combat child labour through toughening our own import restrictions," he added.

According to information made available by

the Canadian High Commission here, the business deals in New Delhi include \$671.85 million in commercial contracts and \$2.27 billion in agreements in principle, including memoranda of understanding and letters of intent. These agreements come on top of the \$444 million business deals signed during "Team Canada" visit to Bombay on Wednesday. The "Team Canada" delegation, including the Prime Minister, some of Canada's provincial premiers, federal Government Ministers and some 250 businessmen, will proceed to Pakistan after the India visit.

UNI reports:

The chairman of the India-Canada JPC, Mr. S. R. Roessler said today that Mr. Chretien's comments on toughening import restrictions to combat child labour "came out of the blue."

Addressing a press conference here, Mr. Roessler said there have been other important developments at the JBC which could be highlighted and added that he was not aware as to why Mr. Chretien chose to make that statement.

He was of the view that Mr. Chretien referred to child labour in his address to the JBC perhaps because the issue has discussed with the Indian leaders he met and mentioned in the media too.

Many observers view the linking of issues like child labour to global trade as "non-tariff barriers" put by developed countries to check the rising strength of exports from the newly liberalised economies who have agreed to play by World Trade Organisation (WTO) rules.



# TALKING IT OVER

Over the holidays, Bill and I delighted in the company of our nephews, 19-month-old Tyler and six-month-old Zachary.

Along with their parents, grandparents, Chelsea and assorted other baby watchers, we read and talked to them, ran after Tyler as he explored the White House and encouraged Zach to follow in his walker. We took turns telling Tyler that he shouldn't throw his food on the floor and carrying Zach around when he needed comforting.

No one can predict what the future holds for these little boys, but for now, they are being guided and protected by adults who are nurturing them with the love, time and energy that children need to develop their brains, bodies and characters.

Zachary and Tyler are luckier than many children. It is hard to pick up a newspaper or watch the TV news without finding a story about an abused, neglected or abandoned child. When I look at the children I love, I ask myself how anyone could mistreat a child.

I thought about that question when I recently visited St. Ann's Infant and Maternity Home just outside

Washington, D.C. For 136 years, St. Ann's has taken in and cared for children whose own families have been unable or unwilling to give them the love, care and security they deserve from the adults in their lives.

I took Socks, our cat, with me. He was the real star, as little hands reached out to pet him and voices pleaded for permission to hold him.

While Socks was holding court, I saw babies whose development had been delayed or disturbed because they suffered from the effects of drugs their mothers had taken. I saw tiny bodies that had been abused physically and sexually. I looked into the bewildered eyes of children whose fathers had never known them and whose mothers had given up trying to cope with life. Sister Josephine Murphy, the director, told me stories about how the children's academic and behavioural problems were rooted in their feelings of worthlessness and insecurity.

I also met young mothers enrolled in a parenting programme who are learning how to take care of their babies and acquiring skills that will enable them to work and support themselves. As I talked with these young

women, I was reminded yet again that parenting does not come naturally to many of us. We frequently need hands-

on instruction to take care of our children. I know I needed help and advice, which I sought out from other parents, books, advice columns, doctors and friends.

As a modern society, we know more about what children need to develop than ever before. But, ironically, we still have too few organised ways of supporting parents in the most important work they do. We have not figured out how to replace the extended family, clan or village that looked out for children in earlier times. As a result, many parents don't get the information or the help



they need to become the best possible mothers and fathers they can be.

For example, many parents still don't know that reading and talking to children are the most important ways they can help prepare them for school. Other parents don't know what questions to ask to distinguish between good and

inferior child care. Still others are at a loss about how to childproof a home to avoid the thousands of accidents that injure and kill children every year.

It is time to make some changes for our children's sake. Advances in technology and the global economy along with other developments in society have brought us much good, but they have also strained the fabric of family life, leaving us and our children poorer in many ways – physically, intellectually, emotionally, spiritually.

This is one of the reasons I wrote my book, "It Takes a Village to Raise a Child and Other Lessons Our Children Teach Us." My goal was to share ideas and programmes that work and to start people thinking about what all of us can do in our homes, workplaces, neighbourhoods, schools, churches and governments to help families raise happy, responsible and resilient children. It truly does take a village of caring adults to raise a child. I hope all of us will choose to help ensure a brighter future for our children. ■

HILLARY RODHAM CLINTON



# West targets its nuclear weapons on Third World

From C. Raja Mohan

NEW DELHI, Jan. 14.

The report from London last week that Britain has deployed a new nuclear deterrent aimed at the Third World confirms the recent evolution of the nuclear doctrine of the Western powers — U.S., U.K. and France — who are determined to use their atomic clout to perpetuate their hegemony over the South.

Since the end of the war in the Gulf against Saddam Hussein in 1991, the United States, France and Britain have steadily drifted into a strategy that contemplates the use of their nuclear forces against the emerging powers of the developing world and involves military intervention in defence of Western political and economic interests.

The British newspaper 'Guardian' reported last week that Britain has deployed submarine missiles with a single warhead that will strike fear into any 'Third World dictator tempted to try nuclear blackmail'. The British strategic submarines are now being equipped with single warhead, 'sub-strategic' missiles that will be employed in regional contingencies. The first British submarine loaded with such missiles, HMS

## News Analysis

'Victorious' sailed out of a British base on New Year's eve.

The Royal Navy's move is one of the important results of a long debate in Britain about the role of its nuclear weapons after the demise of the Soviet Union. Britain now believes its nuclear arsenal could play an important role in protecting its vital interests from the alleged danger of nuclear-armed dictators in the developing world.

The British Government first linked its nuclear doctrine to proliferation of nuclear weapons in November 1993. Mr. Malcolm Rifkind, the then Defence Secretary, acknowledged the problems of nuclear use against the Third World. But he warned that 'it would be unwise to ignore completely the potential consequences if, despite our efforts, there is proliferation of nuclear weapons'. Implying the involvement of British nuclear forces around the world, Mr. Rifkind added that 'the possibility exists of a proliferator engaging in a conflict in which our interests, or even British forces, are involved'. It is with this possibility in mind that Britain has decided to arm Trident missiles with tactical nuclear warheads for a range of military contingencies in the developing world.

France, in fact, has moved even farther than Britain, in expanding its nuclear strategy to include so-called threats from the South. Over the last few years, its nuclear orientation has changed from being tied specifically to the European theatre or Soviet threat, to one envisaging new roles in West Asia and the Indian Ocean. According to a recent report of Greenpeace, the French Government and military officials are now frequently linking the French nuclear doctrine to nuclear proliferation concerns and speak openly of using nuclear weap-

ons to deter regional threats.

The 1994 White Paper on defence posture declared the broad objective of the French nuclear forces: 'The French nuclear concept will continue to be defined by the will and capability to make any aggressor — irrespective of who such aggressors may be or their capabilities — fear unacceptable damage, out of all proportion to the advantage to be gained from conflict, if they seek to attack France's vital interests. In this day and age, nuclear weapons alone have this kind of capability'.

A report by the Committee on National Defence and the Armed Services of the French National Assembly in late 1994 even more strongly linked nuclear deterrence to Third World threats: 'Even if France has no vital interests to defend in the Middle East, in the Indian Subcontinent, or in the Pacific Zone, France cannot feel uninterested in what is happening in these areas. The prospects of conflicts that exist in the various hot spots force us not to surrender to the advocates of nuclear disarmament but, quite the reverse, to do everything we can to maintain our instrument of deterrence in good operational condition. In a world where crude nuclear weapons will inevitably be more in the hands of irresponsible potentates, the fact that we possess a weapon capable of inducing respect with whatever aggressor, may one day turn out to be indispensable'.

France has not formally announced the new targets for its nuclear force, but it is reported that they include those countries in the Third World with a capability to build nuclear weapons and missiles.

In the United States, targeting Third World states already appears to have become policy. According to the Greenpeace study, the U. S. has developed a new military doctrine which explicitly sees a role for American nuclear weapons in deterring and countering weapons of mass destruction in regional contingencies around the globe. Unlike in the 1980s, when some Third World nations were on the nuclear hit list as real or potential allies of the Soviet Union, they are now being targeted for their own importance as proliferators of nuclear weapons and missiles.

The doctrine on nuclear operations issued by the U. S. Joint Chiefs of Staff in 1993 argues that in a regional war the use of weapons of mass destruction against the American interventionary forces could have unacceptable outcomes and that the U.S. must be prepared to use nuclear weapons to deter hostile regional powers. The U.S. Strategic Command, Air Force and Navy are upgrading their strategic intelligence and nuclear missile systems so they can more rapidly identify and strike targets around the globe. The U. S. Strategic Command is developing a list of regional targets for American theatre commands that implement American military strategy in various regions.

Senior U.S. officials have repeatedly declared that the American nuclear weapons will be used in regional contingencies not just to deter nuclear weapons but also the threats to use chemical and biological weapons as well as conventional attacks on U.S. forces and interests.



# Islamic state idea boomerangs

By PUNYAPRIYA DASGUPTA

**B**ENAZIR Bhutto has advised Pakistan's mullahs to leave politics to politicians. The Prime Minister was stung by a chorus of denunciations by the clerics of her alleged neglect of Islamic values, inclination for Western secularism and enlistment in the American campaign against Islamic radicals.

## An angry reply

A united front of religious parties, calling itself the Milli Yekjehati (National Solidarity) Council has become active in the mosques, especially at prayer time on Fridays. This MYC is the Pakistani Islamists' angry reply to the Bhutto Government's decision to probe the finances of the religious schools and watch the movements of their students.

After a series of terrorist outrages had brought Pakistan a bad name internationally in recent months, Prime Minister Bhutto and Interior Minister Nasrullah Babar vowed to destroy the nests of criminals.

A car bomb exploded before the Egyptian Embassy in Islamabad in November killing 19 Egyptians and Pakistanis. Seven months earlier, two American consular officials had been shot in their vehicle on a Karachi street. Intelligence experts from Cairo and Washington worked alongside their Pakistani counterparts investigating the murders but none succeeded in pinpointing any suspect.

The terrorists, for their part, have been spreading their area of operations. Last month, a bomb in a bus killed three in Lahore and another in Peshawar took a toll of as many as 45 lives.

In the new year, a bomb in a bus has killed eight in Karachi, masked gunmen shot nine men at a market place near Multan, three prominent members of Ms

Bhutto's Pakistan People's Party have been killed in Karachi and according to the ethnic Indian Mohajir Quami Movement, five of its functionaries have been eliminated by the security forces. Former prime Minister Nawaz Sharif's Muslim League has alleged that an attempt was made on his life too. In Karachi, where some 2,000 lives were lost in terrorist violence in 1995 alone, shootings and bombings have become a fruitful daily routine. Already, there have been two general strikes in Karachi, one called by the MQM and the other by the MYC — Ms Bhutto's new Islamic adversary.

Ms Bhutto and her advisers have not yet given up blaming the "foreign hand", that is, India, for the violence threatening to tear Pakistan apart. This has now become a joke to many Pakistanis, as Altaf Hussain, leader of the MQM, said recently in his sanctuary in London. Everyone knows that Pakistan's inner contradictions are, one by one, coming home to roost. Some of the myths behind the creation of Pakistan disappeared long ago.

The make-believe of a homeland for the Muslims of the subcontinent exploded with the breakaway of Bangladesh.

## Only sane choice

Mohammed Ali Jinnah, who made the most cynical use of religion in politics and knew what it was all about, warned Pakistan at its birth that its survival depended upon its ability to avoid mixing the two any more. His advice to the Pakistan Constituent Assembly that a secular democratic republic was the only sane political choice, remains now his quoted words outside Pakistan.

Jinnah did not live long enough even to lay the foundation of a secular Pakistan. Within two years of the creation of Pakistan, sovereignty was transferred from the people to God and before the completion of its first decade the State was proclaimed an Islamic Republic.

## Most urgent task

In his days Zia-ul-Haq thought that the Islamic Republic of Pakistan was not Islamic enough and therefore he proclaimed the beginning of an Islamic era, attested by the introduction of such punishments as amputation of arms for thieves, stoning for sexual offenders and flogging for imbibers of alcohol. For Zia revival of the Koranic prescriptions for combatting crime was the most urgent and essential Islamic task and not working for the equality and socio-economic justice preached by Islam.

All rulers of Pakistan found it politic to cover themselves with an Islamic cloak. Sandhurst-trained Ayub Khan was essentially a secularist but turned a defender of the faith. Z A Bhutto, the proponent of Islamic socialism, found it profitable to ally himself with sectarians and brand the Ahmadiya non-Islamic. Yet the question, what is Islamic and what is not, has not yet been answered to everyone's satisfaction in Pakistan. An Islamic State can mean anything to anyone.

There is no model to adhere to. Nor are there guidelines to follow. Most rulers of Islamic States profess faith in the primacy of Shariat but problems arise wherever anyone goes into details. In Pakistan fundamentalists want the Shariat court to be above the country's legislature. But most Pakistanis

object to such attempts at setting their country on the road back to medieval times.

A seed of a bitter conflict was sown when Pakistan was proclaimed an Islamic State. A State is a political entity in a contemporary context and Islam is a religion harking back often to the past. But as soon as the State was qualified as Islamic, a right was conferred on the experts on Islam or the mullahs to judge whether the rulers were conforming to the true path.

It was a kind of concurrent jurisdiction that was conceded to those who should have remained — or been kept — unconcerned with modern statecraft. The Pakistan people, as a whole, are not in favour of mullahs moulding politics. The religious parties got only about four per cent of the votes in the latest elections, in 1993. But the influence of religion on Pakistani society is out of all proportion to poll statistics.

Ms Bhutto is now discovering that the Islamic weapon used by her predecessors and sometimes by herself too, to cow all critics and meet every challenge, is now hurtling back like a boomerang. The Prime Minister's suspicion that the religious seminaries are now the breeding grounds of terrorism and her open deprecation of the clerics' pursuit of an "agenda of tyranny", will now be challenged by an outflow of Islamic anger on the streets of Pakistan.

## Matter of tactics

Besides other old troubles Islamic anger is threatening Ms Bhutto. She will soon hear raucous cries of Islam in danger in her Pakistan. And if it serves to make her position untenable, Nawaz Sharif's Muslim League and the MQM will find it tactically sensible to lend their support to the Islamists.











